

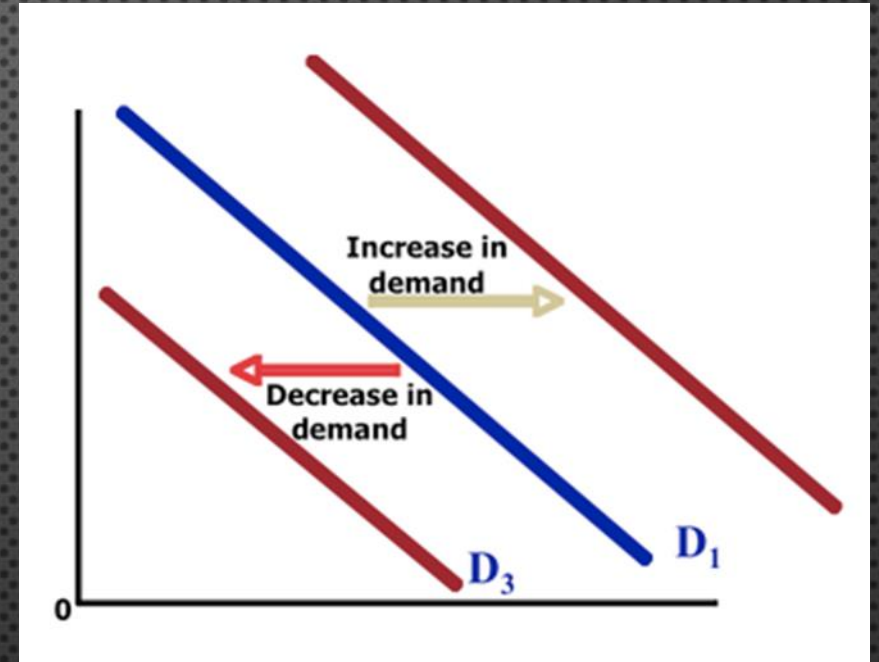
CHAPTER 4 DEMAND

FACTORS AFFECTING DEMAND



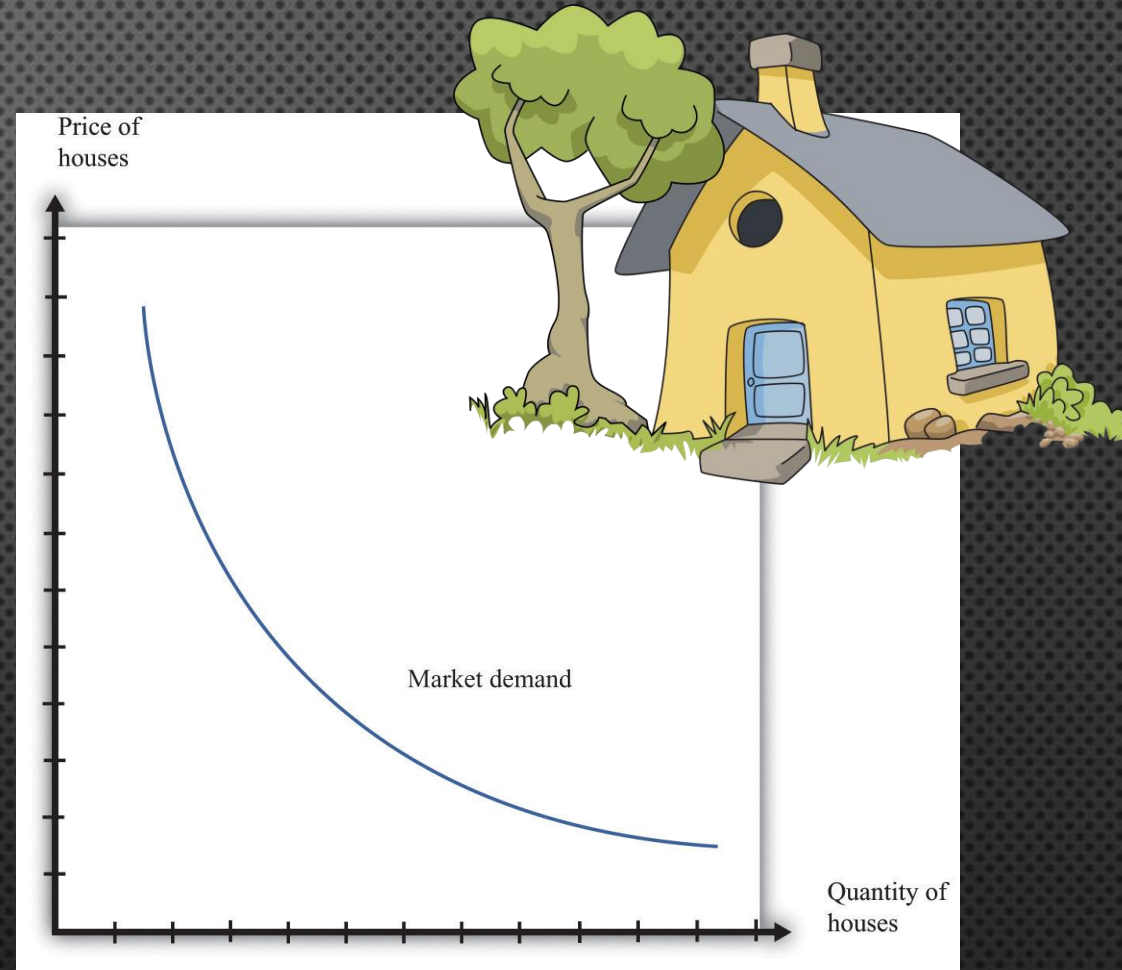
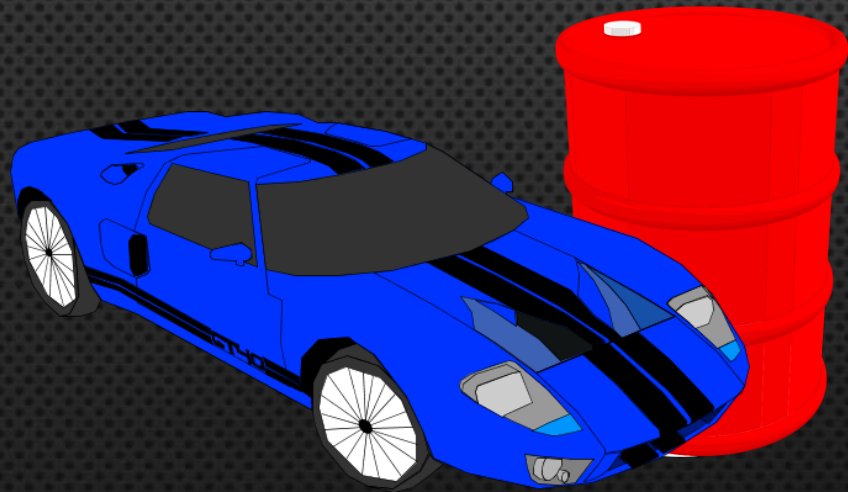
DEFINE THE FOLLOWING WORDS

- 1) SUBSTITUTES
- 2) COMPLIMENTS
- 3) INCOME EFFECT
- 4) SUBSTITUTION EFFECT
- 5) CHANGE IN QUANTITY DEMANDED
- 6) CHANGE IN DEMAND



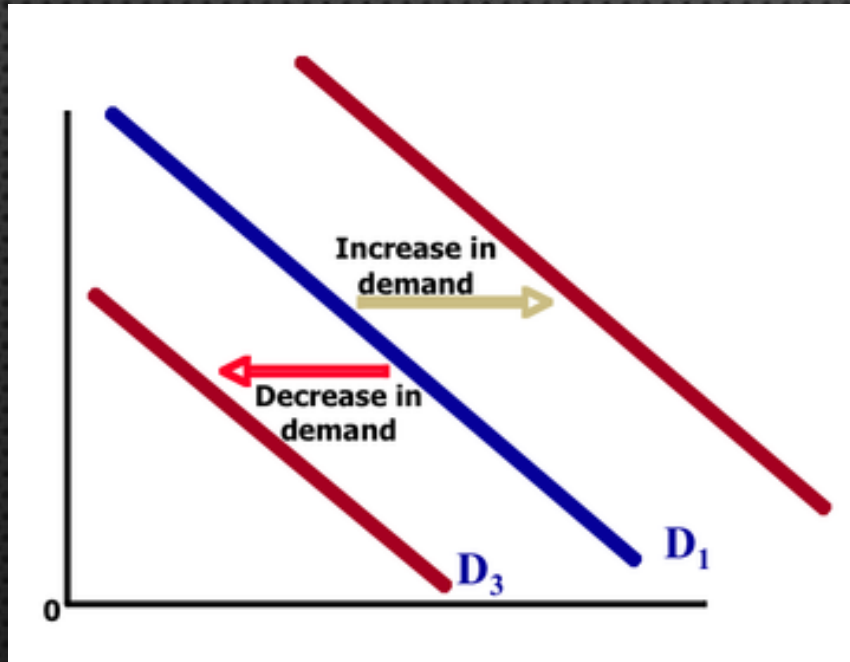
MARKET DEMAND CURVE

TOTAL DEMAND FOR
THE ENTIRE MARKET.



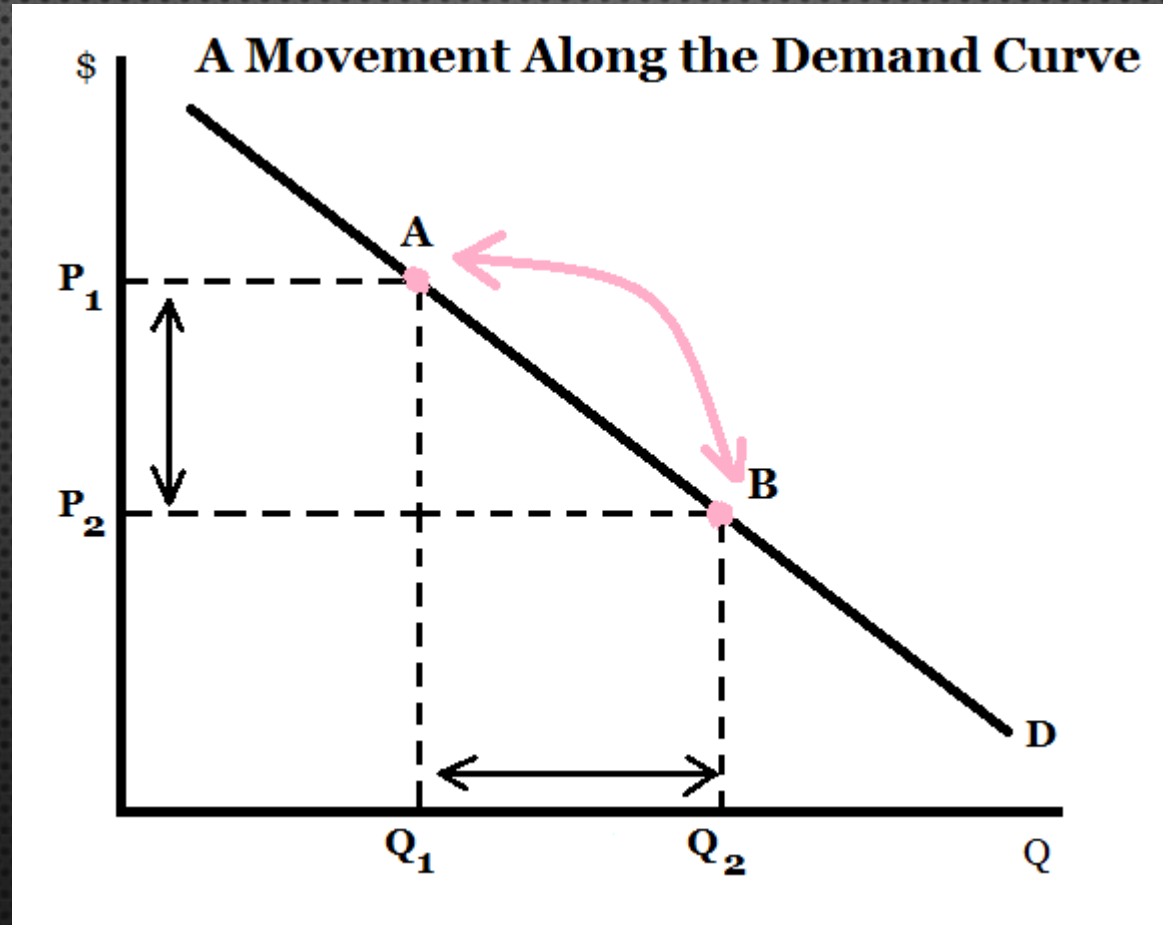
CHANGE IN QUANTITY DEMANDED

THE ONLY THINGS THAT CAN
CHANGE THE MARKET DEMAND
CURVE OR SCHEDULE IS



1. **COMPLEMENTS**
2. **EXPECTATIONS**
3. **NUMBER OF CONSUMERS**
4. **SUBSTITUTES**
5. **CONSUMER TASTES**
6. **CONSUMER INCOME**

CHANGE IN PRICE RESULTS IN MOVES ON THE CURVE



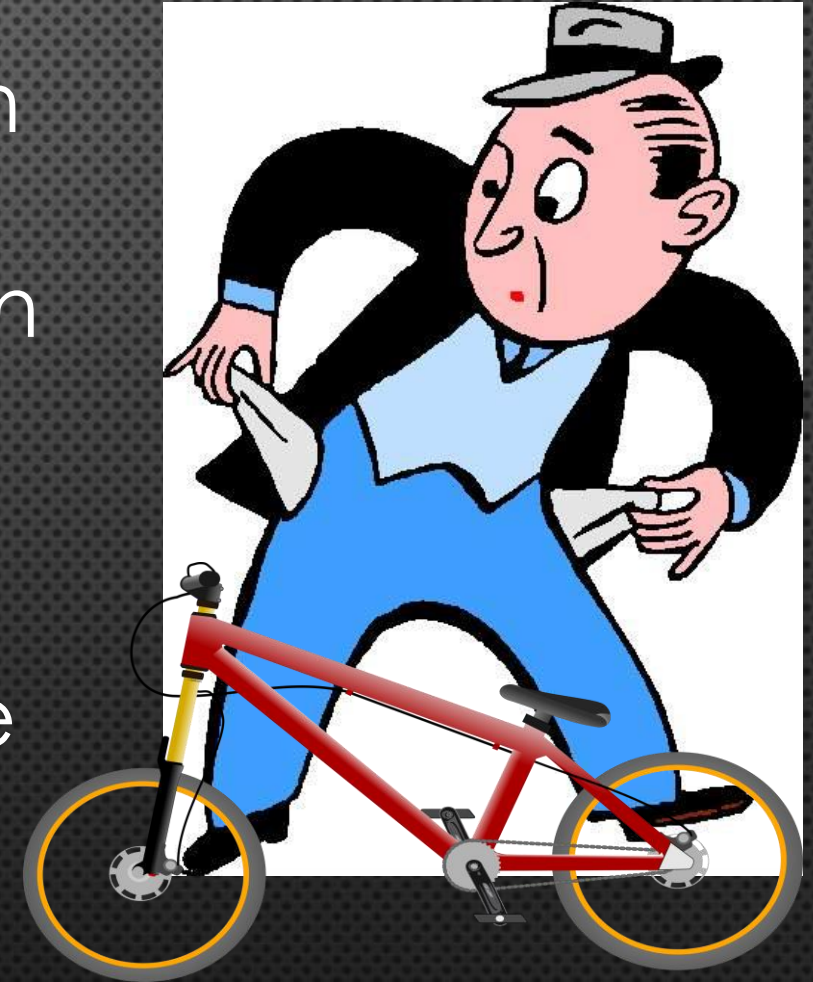
SUBSTITUTES

PRODUCTS THAT CAN BE USED IN PLACE OF ANOTHER PRODUCT



CONSUMER INCOME

Consumer income can cause a change in demand, an increase in income means that people can buy more and a decrease in income means people can afford less

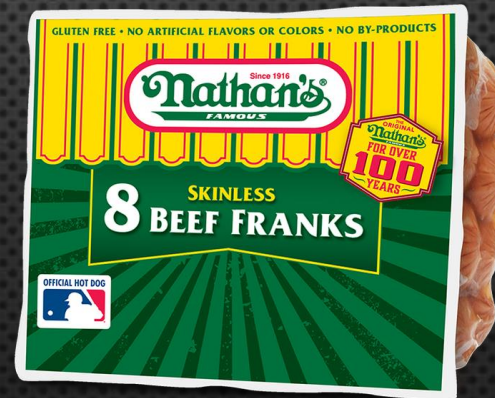


WHAT WOULD YOU DO WITH YOUR PAY CHECK?



COMPLEMENTS

The use of one leads to the use of the other



CONSUMER TASTE

**ADVERTISING, TRENDS, RUMORS, CONSUMERS
CONCERNS ALL AFFECT MARKET DEMAND**

SOCIAL MEDIA INFLUENCERS



SUBWAY
eat fresh.™



THINK OF HOW RUMORS OR TRENDS GOT YOU TO BUY STUFF OR AVOID BUYING STUFF?



EXPECTATIONS

THE WAY PEOPLE THINK ABOUT THE FUTURE



THE NEW MODEL PHONE COMES OUT IN THREE MONTHS DO YOU BUY A NEW PHONE OR WAIT?



What happens to the demand for the older model phones the months leading up to release of a new model?

NUMBER OF CONSUMERS

MARKET DEMAND CURVE CAN ALSO CHANGE WITH
THE NUMBER OF CONSUMERS

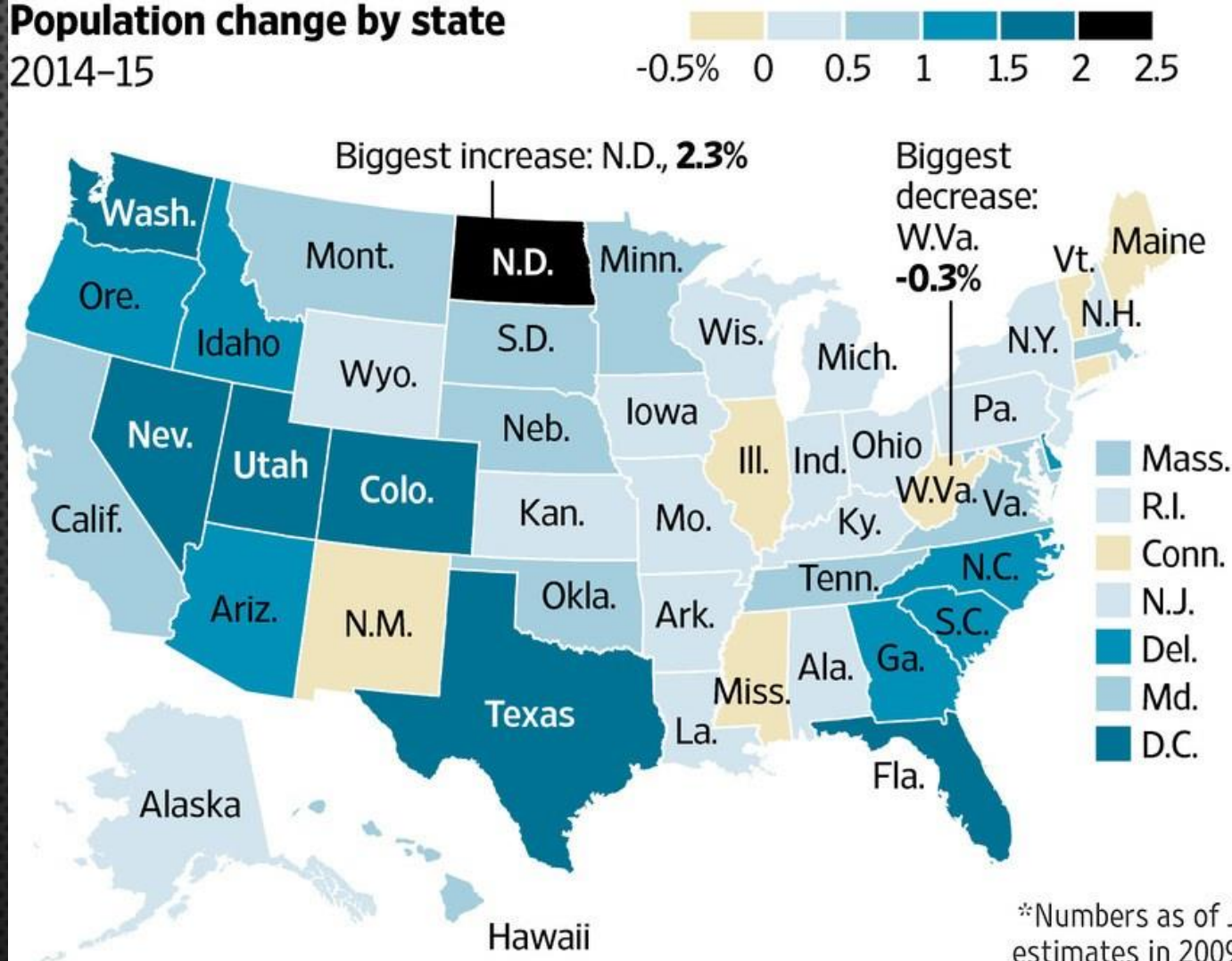


IS IT WISE TO OPEN A BUSINESS IN A STATE THAT IS LOSING POPULATION?

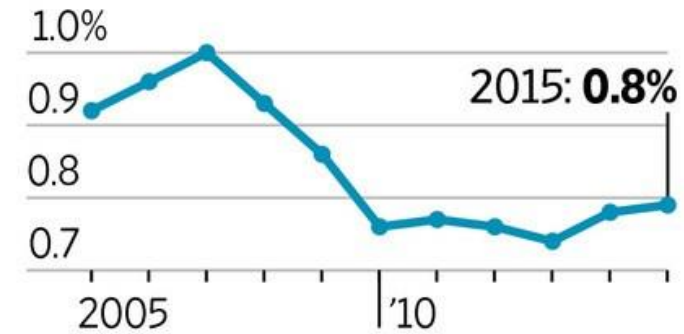
Southern Comfort

Many sun-soaked states saw their populations increase this year while the overall growth of the U.S. was sluggish, Census Bureau figures show. There were 321.4 million people in America as of July 1.

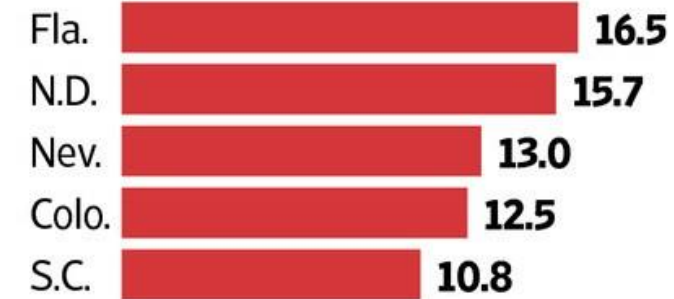
Population change by state
2014-15



U.S. population change*
over previous year



Highest rates of net migration†
per 1,000 residents



*Numbers as of July 1 of each year; data prior to 2010 taken from estimates in 2009 †includes international and domestic migration

Is this eating "fresh"?



Subway makes bread with an ingredient called **Azodicarbonamide**. Azodicarbonamide is the chemical used to make yoga mats, shoe rubber and other rubbery objects. It's not supposed to be food or even eaten for that matter.

And it's definitely not "fresh".

Ask Subway to: REMOVE AZODICARBONAMIDE FROM THEIR PRODUCTS.



foodbabe.com/subway

#NoWaySubway



NEW THIS MORNING
SUBWAY REMOVING CONTROVERSIAL CHEMICAL
COMPANY TAKING ADDITIVE OUT OF BREAD

LIVE
CNN

CINCINNATI 19° CLEVELAND 11° COLUMBUS 11°

