

I can identify the difference between elastic and inelastic goods

I can analyze the change in price between elastic and inelastic goods

# Inelastic

Type of Elasticity where the percentage change in the price causes a less proportionate change

(inconceivable to give up)

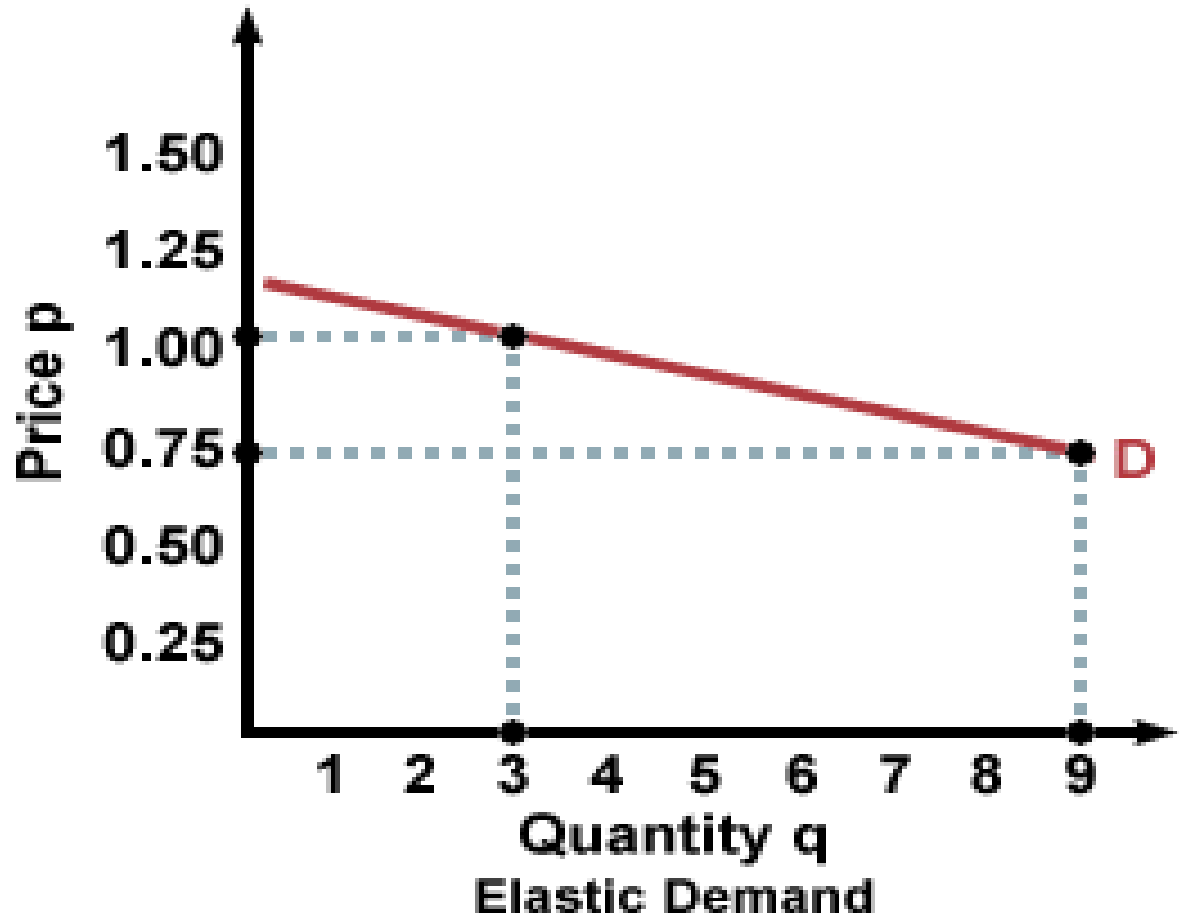


# Elastic

Type of elasticity where the percentage change in the price cause a more proportionate change in quantity demanded

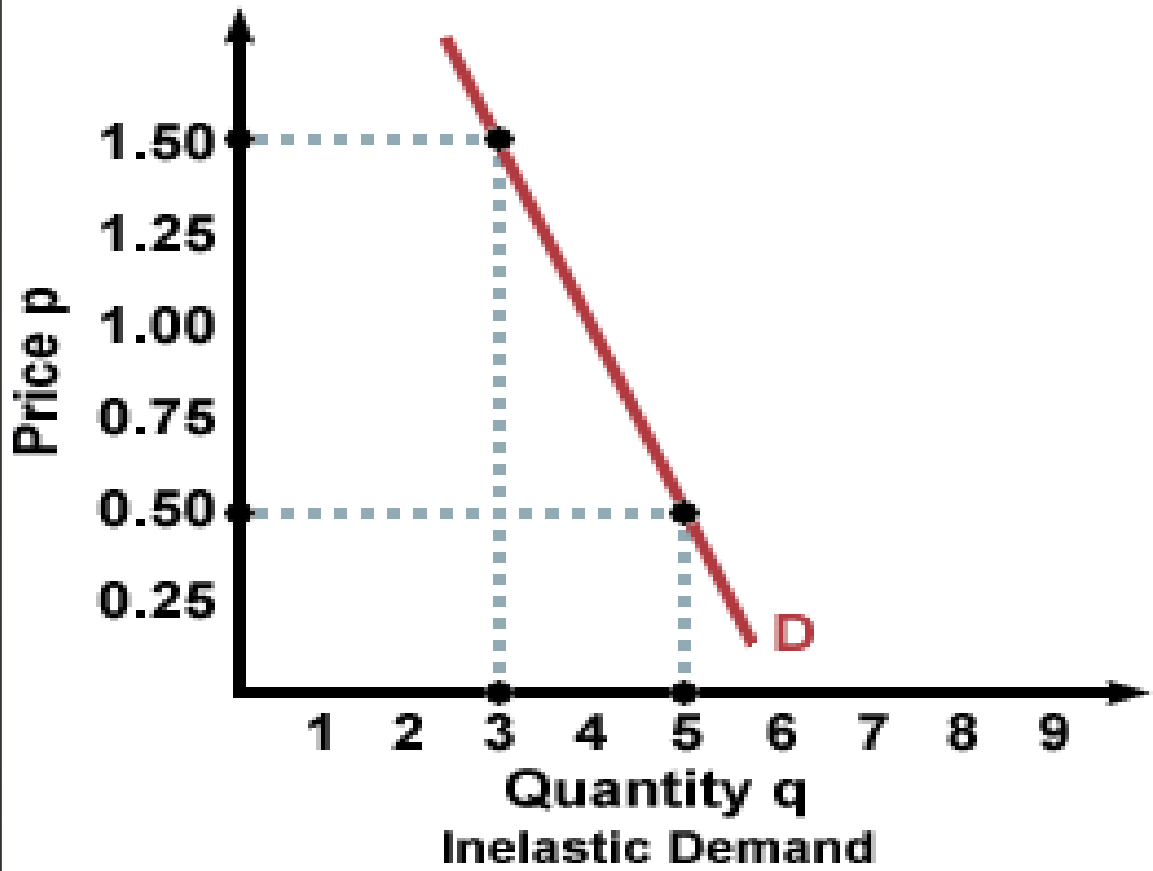
**(easy to give up)**





Notice the change in demand with a small price drop.

**Notice the change in demand with a large change in price.**



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**What are three questions that determines elasticity.**

1. **Can the purchase be delayed?**
2. **Substitutes?**
3. **Does it cost a lot of money?**