



SALES

The Law of Supply and Demand

Created by The University of North Texas in partnership with
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Economics and Consumer Demand

- Macroeconomics-studies the economic behavior and relationships of an entire society
- Microeconomics-examines relationship between individual consumers and producers

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Factors Affecting Demand

- How strong is the need or want?
- How available is the supply of products and services to satisfy individual needs?
- What alternative products could satisfy consumer needs?



Law of Demand

- When the price of a product is increased, less will be demanded
- Demand curve-shows the relationship between price and the quantity demanded



Amount Supplied

- Profit motive
- Economic resources-natural resources, capital, equipment, and labor
- Competition

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Law of Supply

- More will be supplied as prices increase.
- Supply curve-graph of the relationship between price and quantity supplied



Market Price

- Point where supply and demand for a product are equal
- Point where supply and demand curves intersect



Assignments

Independent Practice Activities

- Compare the price of a flight from Los Angeles to New York on 3 different airlines as well as rate their customer service.
- Develop a list of seasonal demand products for a location that has changing seasons.
- Conduct a student survey in the school cafeteria to determine the most highly demanded food items.

