Demand

## Clear Target

I will be able to demonstrate the inverse relationship between quantity demanded and price through the use of demand tables and curves.

- Latin phrase for "all other things remaining constant".



## Consumer Sovereignty

- The power of the consumer to decide what gets produced THE CUSTOMER IS KING

|  |
| :---: |
|  |
|  |

POOR
CUSTOMER
SERVICE $=$
\$83 BILLION
COST TO THE U.S.
ECONOMY

## 60 MILLION

hours/Yr Wasted \#ONHOLDWITH CALL CENTERS

UNHAPPY
CUSTOMERS are your greatest SOURCE

of LEARNING.

- BILL GATES


## 89\%

CONSUMERS WHO DID BUSINESS WITH A COMPETITOR AFTER

RECEIVING POOR CUSTOMER SERVICE

## Demand

- The amount of a good or service that consumers are able and willing to buy at various possible prices during a specified time period.



## Individual Demand

the demand of one individual for a good or service.


Julia's Individual
Demand Curve


## Market Demand

The sum of the individual demands of all consumers in the market.


Julia's Individual
Demand Curve


Market Demand Curve


## Quantity Demanded

-The amount of a good or service a customer is willing and able to purchase at a specific price.


## Law of Demand

- Law stating that the quantity demanded and price move in opposite directions.




## Demand Schedule

A table showing quantities demanded at different possible prices.

| DVD Sales |  |
| :---: | :---: |
| Price per <br> DVD | Quantity <br> demanded in <br> millions |
| 20 | 100 |
| 18 | 300 |
| 16 | 500 |
| 14 | 700 |
| 12 | 900 |
| 10 | 1100 |

## Demand Curve

Downward sloping line that shows in graph form the quantities demanded at each possible price.


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DVD sales


