

Ministry of Supply: Will Professionals Demand Its Performance?

TheCaseSolution.Com

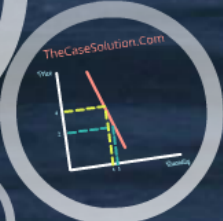
Section 1
Product chosen: Air travel
If the price of air travel tickets were to change, there wouldn't be a very drastic change in quantity demanded. Air travel tickets aren't that price sensitive, this is because people are very dependent on air travel to get to certain destinations either for work or holidays.
TheCaseSolution.Com



Section 3
Factor for determining price elasticity

Table 1

Section 2
Price Elasticity - measures how much the quantity demanded will change when price changes.
Elastic - small change in price, large change in demand. More responsive.
Inelastic - large change in price, small change in demand. Less responsive.
As mentioned before, air travel ticket prices aren't that price sensitive so they are said to be **INELASTIC**, people are so dependent on air travel.
TheCaseSolution.Com



Ministry of Supply: Will Professionals Demand Its Performance?

TheCaseSolution.Com

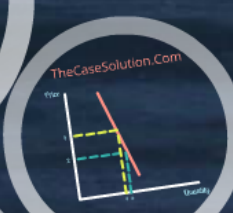
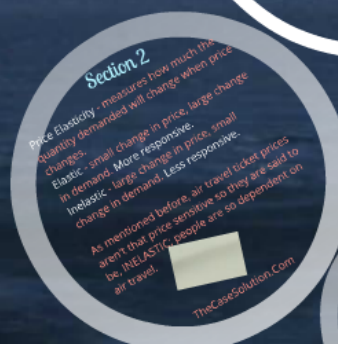
Section 1
Product chosen: Air travel
If the price of air travel tickets were to change, there wouldn't be a very drastic change in quantity demanded. Air travel tickets aren't that price sensitive, this is because people are very dependent on air travel to get to certain destinations either for work or holidays.
TheCaseSolution.Com



Section 3
Factors that determine Price Elasticity

Section 4

Section 2
Price Elasticity - measures how much the quantity demanded will change when price changes.
Elastic - small change in price, large change in demand. More responsive.
Inelastic - large change in price, small change in demand. Less responsive.
As mentioned before, air travel ticket prices aren't that price sensitive so they are said to be INELASTIC, people are so dependent on air travel.
TheCaseSolution.Com



Ministry of Supply: Will Professionals Demand Its Performance?

TheCaseSolution.Com

Section 2

Price Elasticity - measures how much the quantity demanded will change when price changes.
Elastic - small change in price, large change in demand. More responsive.
Inelastic - large change in price, small change in demand. Less responsive.

As mentioned before, air travel ticket prices aren't that price sensitive so they are said to be INELASTIC; people are so dependent on

product...
If the price of...
change, there will be a...
drastic change in quantity demanded.
Air travel tickets aren't that price sensitive, this is because people are very dependent on air travel to certain destinations either for work or holidays.
TheCaseSolution.Com

Section 3

Factors that determine Price Elasticity

Section 4

TheCaseSolution.Com

Section 1

Product chosen: Air travel

If the price of air travel tickets were to change, there wouldn't be a very drastic change in quantity demanded. Air travel tickets aren't that price sensitive, this is because people are very dependent on air travel to get to certain destinations either for work or holidays.

TheCaseSolution.Com

Section 2

Price Elasticity - measures how much the quantity demanded will change when price changes.

Elastic - small change in price, large change in demand. More responsive.

Inelastic - large change in price, small change in demand. Less responsive.

As mentioned before, air travel ticket prices aren't that price sensitive so they are said to be, INELASTIC; people are so dependent on air travel.



TheCaseSolution.Com

TheCa

PED

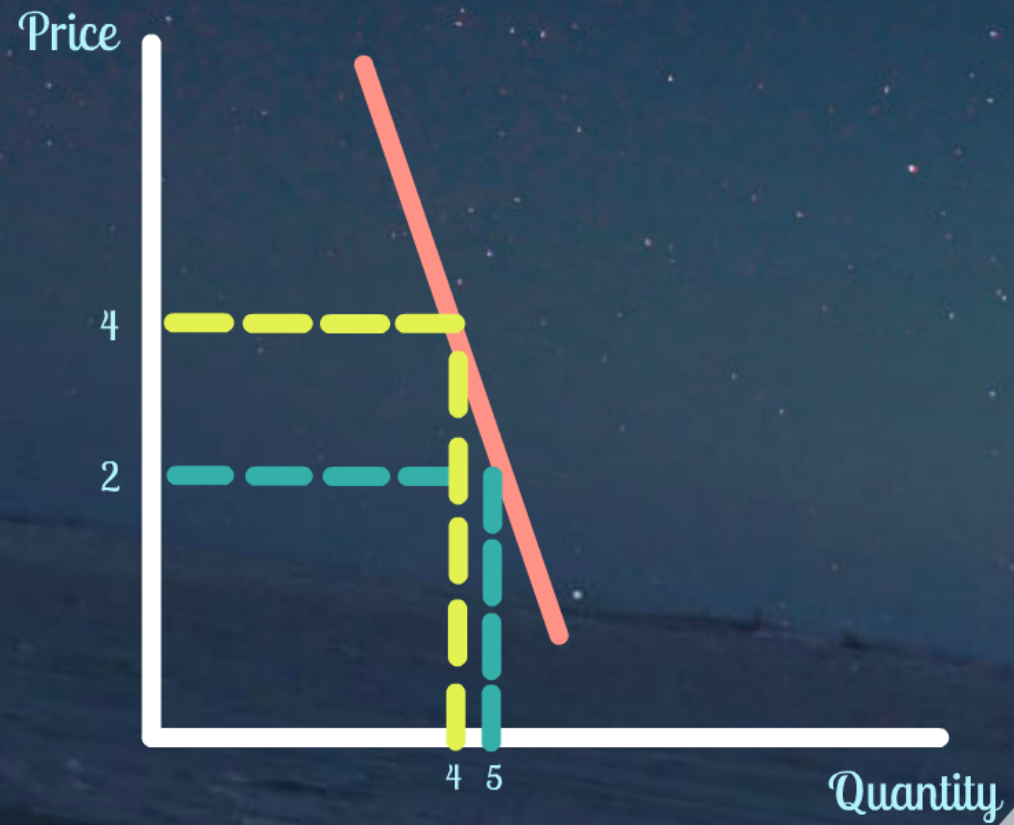
Price Elasticity of Demand

$$\text{PED} = \frac{\% \text{ change in quantity demanded}}{\% \text{ change in price}}$$

TheCaseSolution.Com

.Com

TheCaseSolution.Com



anded

.Com