

Answer to the question No: 1

Use of utilities means consumption. By the consumption of goods and services, we mean satisfaction of our wishes. Consumption needs are increasingly urgent with increasing levels of consumption. In consumption, people prefer to face less than more risks. We are assured to consume water when we use a glass of water to quench our thirst.

Answer to the question No: 2(b)

Utility is simply the ability to meet a desire. If we use a product appropriately, it provides a great deal of utility. On the other hand, it's going to drop if we abuse it. For example, when we use it in curry, the usefulness of an onion is high. Conversely, if we use it in desserts, the utility of an onion is less.

Answer to the question No: 2(c)

Utility is a concept of psychology. For different people, that's different. It cannot therefore be directly measured. "Utility can be measured and its measuring rod is 'money'," said by Professor Marshall. The utility is measured in two respects: cardinal and ordinal approach. Cardinal numbers are the quantitative numbers 1, 2, 3, 4, etc. Ordinal numbers are the qualitative numbers 1st, 2nd, 3rd, 4th, etc.