**RVS COLLEGE OF ARTS AND SCIENCE, (AUTONOMOUS), SULUR, COIMBATORE – 641 402 SCHOOL OF COMMERCE - PG**

**SUBJECT: MICRO ECONOMICS DATE: 22nd AUG 2024 TOPIC: DEMAND THIRD WEEK: Quiz, Activities and Assignments**

**ACTIVITY**

**GROUP ACTIVITY**

Young people throughout the world are turning away from buying newspapers to new forms of media for their information and entertainment. For example, in the UK, in 1973, 80% of 15–24 year olds read a (paid for) national newspaper. By 2015, this percentage had fallen to 21%.

Studies have found a number of reasons for this trend. These include young people having less time, less need, less interest and less opportunity to buy newspapers, and declining importance of newspapers for them. There are now many rivals to newspapers including social media and the internet, television and radio. Those young people who do buy newspapers tell the researchers that they read them more for entertainment than news.

1. What percentage of 15–24 year olds did not read a ‘paid for’ national newspaper in 2015?
2. Explain two reasons why young people throughout the world are demanding fewer newspapers.
3. Does the extract suggest that social media and the internet is a substitute for or a complement to newspapers? Explain your answer.
4. Discuss two ways through which newspaper publishers could raise demand for their newspapers.

**ASSIGNMENTS**

**MISSING WORDS**

1. Economists define demand as the willingness and \_\_\_\_\_\_\_\_\_\_\_\_ to buy a product.
2. A \_\_\_\_\_\_\_\_\_\_ in the price of a product will cause a contraction in demand.
3. Rival products are known as \_\_\_\_\_\_\_\_\_\_\_\_, whilst products that are bought to be used together are known as \_\_\_\_\_\_\_\_\_\_.

**SIMILARITIES**

**Identify one way in which each of the following pairs is similar.**

1. What to produce and how to produce it.
2. A demand curve and a demand schedule.

**DIFFERNCES**

**Identify one way in which each of the following pairs is different.**

1. **Individual demand and market demand.**

**QUESTIONS**

1. Explain the relationship between demand and a change in price.
2. Analyse the effect of a rise in the price of tea on the demand for milk and the demand for coffee.
3. Discuss whether or not the demand for bicycles will rise in the future.
4. The number of cinema tickets purchased in the USA fell by 53 million between 2012 and 2016. A number of the states of the USA tax cinema tickets. India also imposes an entertainment tax on cinema tickets
5. Describe the relationship between demand and price.
6. Explain two of the main factors that influence the demand for cinema tickets.