

$$\text{Price elasticity of demand}(\varepsilon_D) = \frac{\text{Percentage change in quantity demanded}}{\text{Percentage change in price}}$$

The midpoint formula for price elasticity of demand is:

$$(Q_2 - Q_1) / [(Q_2 + Q_1) / 2] / (P_2 - P_1) / [(P_2 + P_1) / 2]$$

- **Q₁**: The initial quantity demanded
- **Q₂**: The final quantity demanded
- **P₁**: The initial price
- **P₂**: The final price