

Price per liter,  $p$

$$p_1 = p_0 + \Delta p^\tau \\ = \$1.50$$

$$p_0 = \$1.25$$

A

E

B

b

C

D

a

Demand

$$x_1 = 108 \quad x_0 = 150$$

Quantity of sugary drinks (liters),  $x$

