







1

0

0

1

1

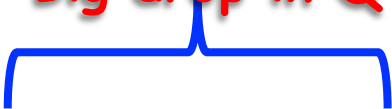
0

1

3

0

Big drop in Q













1

0

0

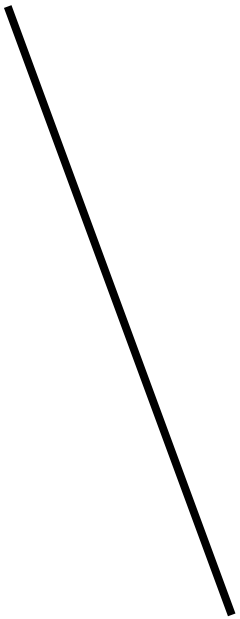
1

1

0

105







This consumer
overreacts









Small drop in Q

Consumers who over-react to a
price drop also over-react to a price
increase...

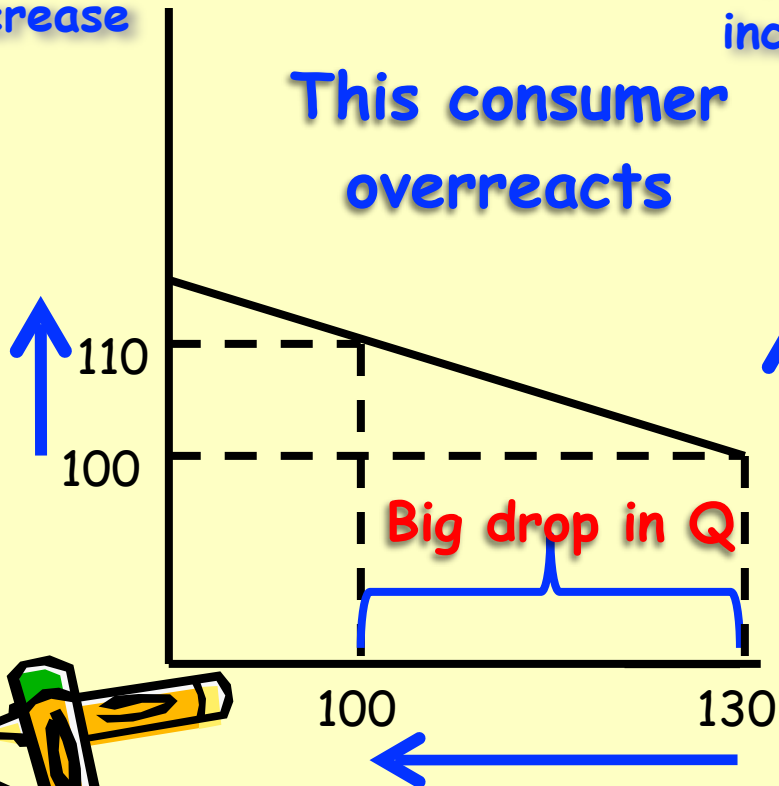
If Price
increase

This consumer's
reaction is small

If Price
increase

Consumers who over-react to a price drop also over-react to a price increase...

If Price increase



If Price increase

