

To measure a consumer's sensitivity to price changes

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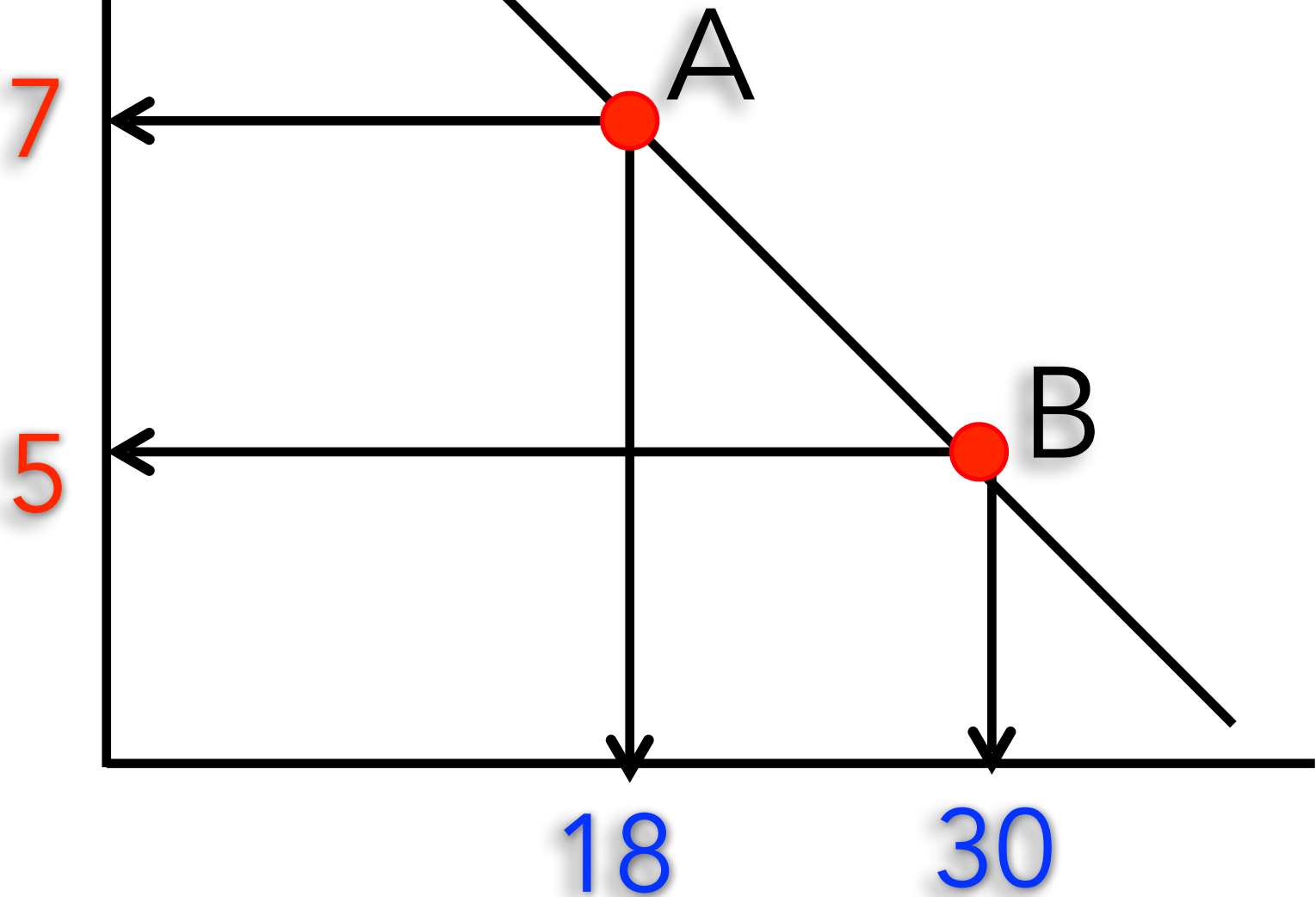


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We need to observe his/her
reaction to a change in price

We need two points
(price, quantity) along
his/her demand line





elasticity

elasticity

To measure a consumer's sensitivity to price changes

We need to observe his/her reaction to a change in price



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