



\$1



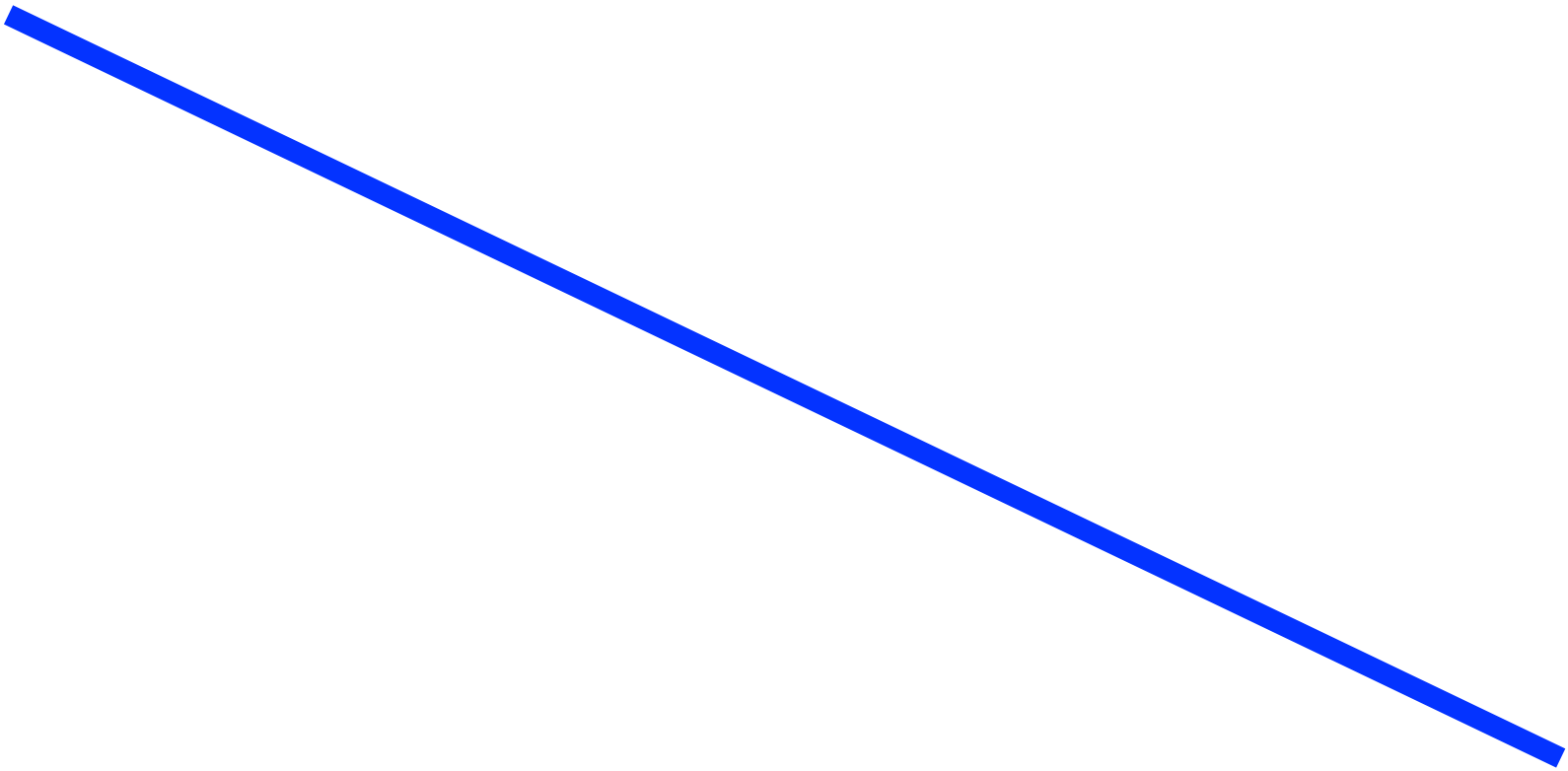




**Price**

Quantity Purchased

If the price is 50 cents/unit, Ana, John and Mark purchase 60 units





\$0.50



60

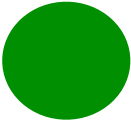
When the price

increase to \$1/unit:

Ana still buys 60 units

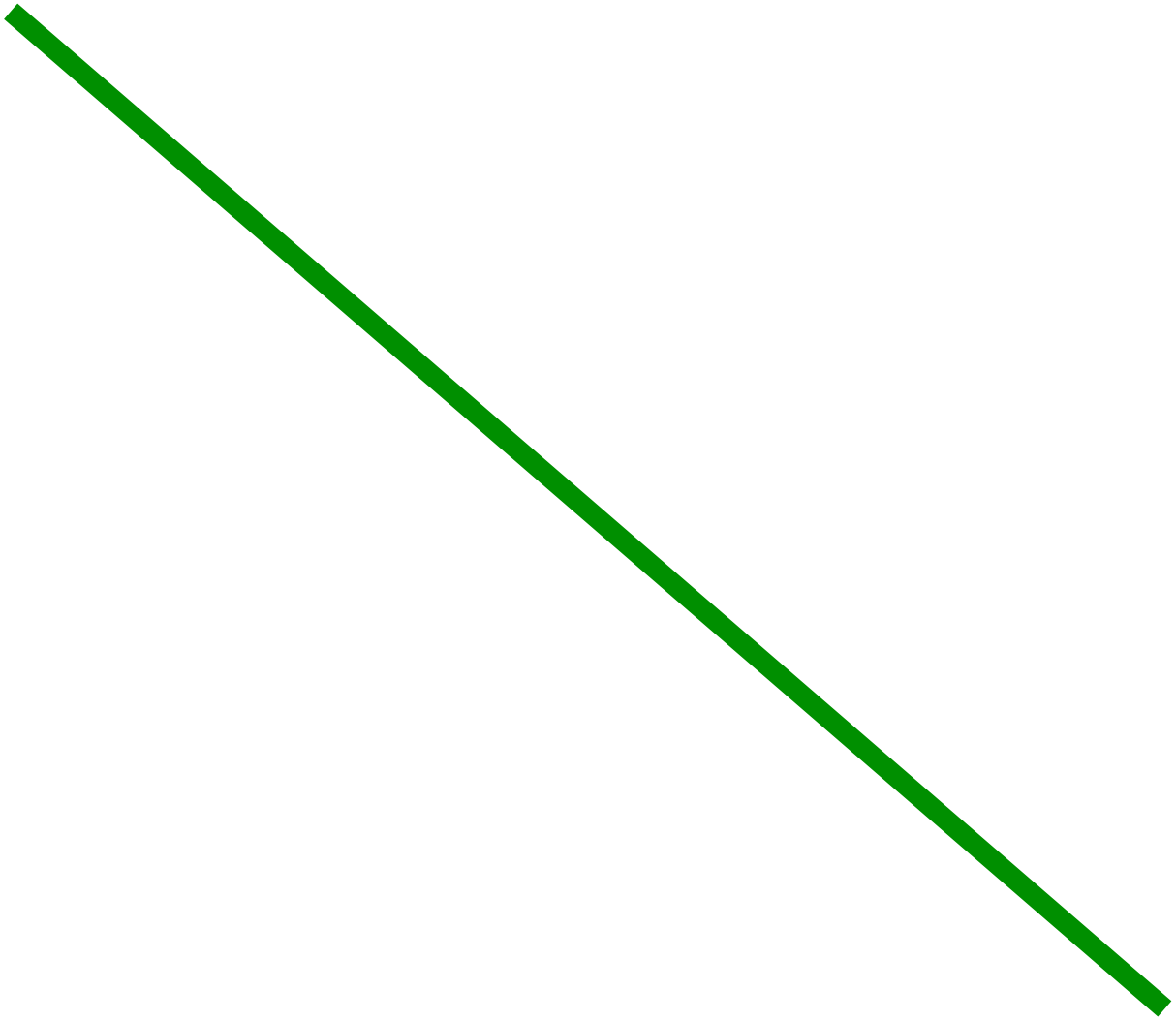






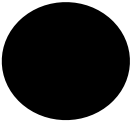


30









John's demand



Mark's demand



Ana's dilemma

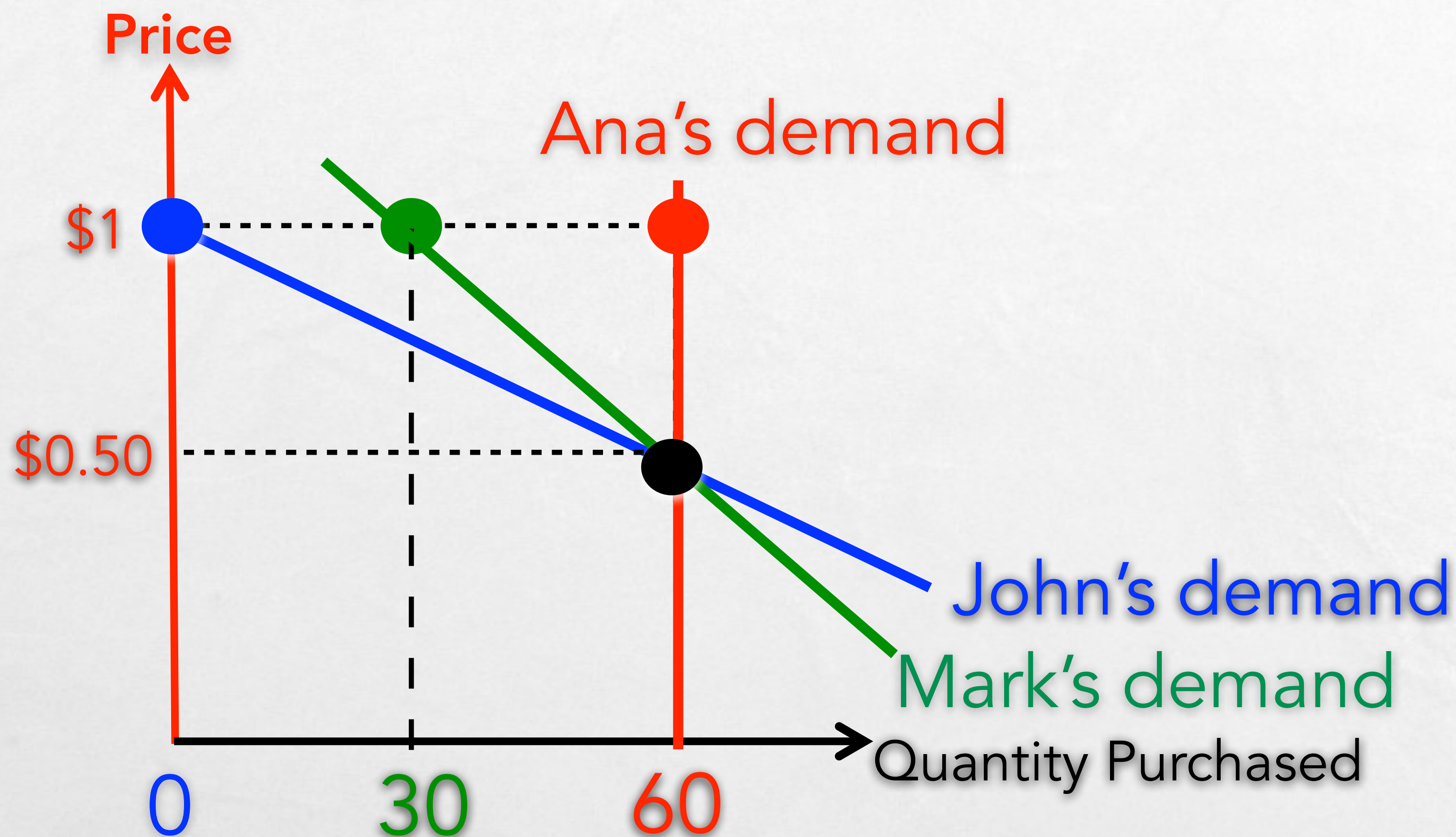
John buys zero

and Mark purchase  
only 30 units





If the price is 50 cents/unit, **Ana**, **John** and **Mark** purchase 60 units



When the price increase to \$1/unit:  
**Ana still buys 60 units**  
**John buys zero**  
and **Mark purchase only 30 units**

# Goods and Services Market