

$$e_{p_d} = \frac{\% \text{ change in quantity demanded}}{\% \text{ change in Price}}$$



If the number on the top (%change in quantity demanded) is larger than the number in the bottom (%change in Price)

The elasticity will be a number greater than one

If the %change in quantity demanded is smaller
than the %change in Price

The elasticity will be a number smaller than one

If the $\% \Delta Q^d$ is equal to the $\% \Delta P$

The elasticity will be a number equal to one

$$e_p^d = \frac{\% \text{ change in quantity demanded}}{\% \text{ change in Price}}$$



If the number on the top (%change in quantity demanded) is **larger** than the number in the bottom (%change in Price)

The elasticity will be a number **greater than one**

If the %change in quantity demanded is **smaller** than the %change in Price

The elasticity will be a number **smaller than one**

If the % ΔQ^d is **equal to** the % ΔP

The elasticity will be a number **equal to one**

$$e_p^d = \frac{\% \text{ change in quantity demanded}}{\% \text{ change in Price}}$$