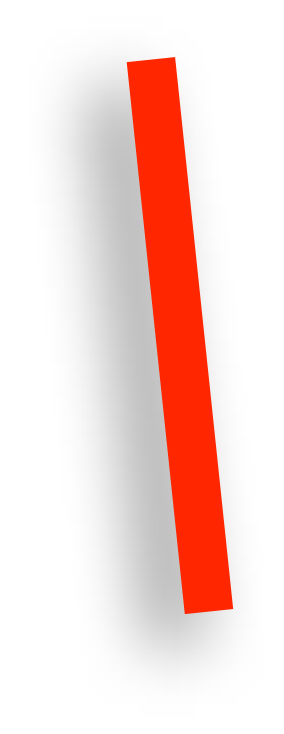
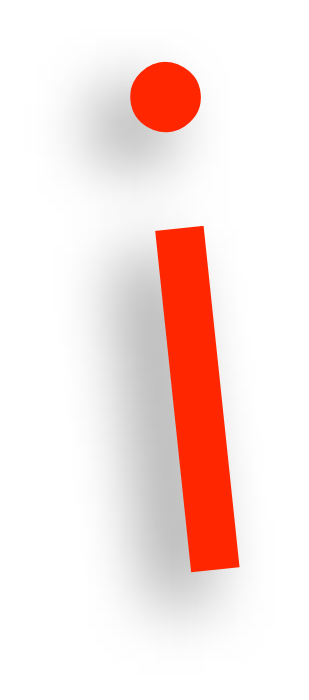
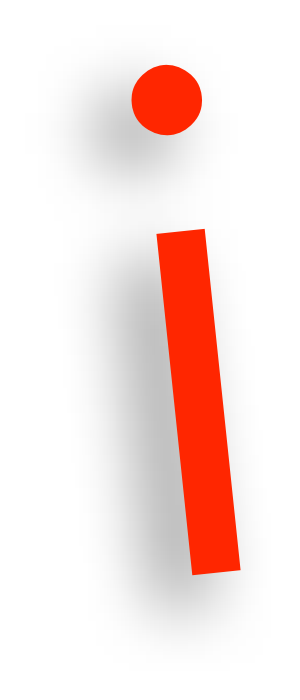
To measure a consumer's sensitivity to price changes



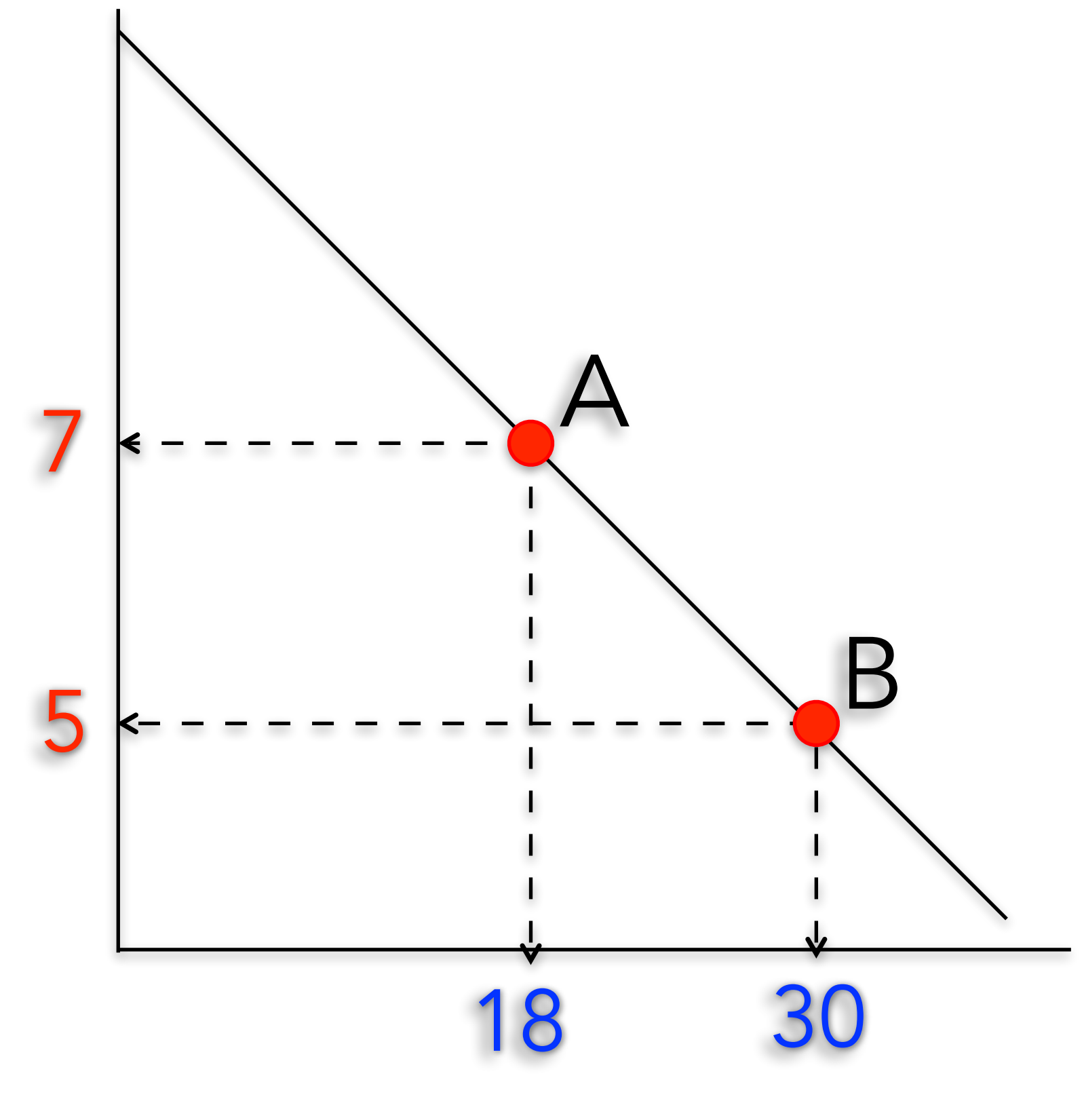
a





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

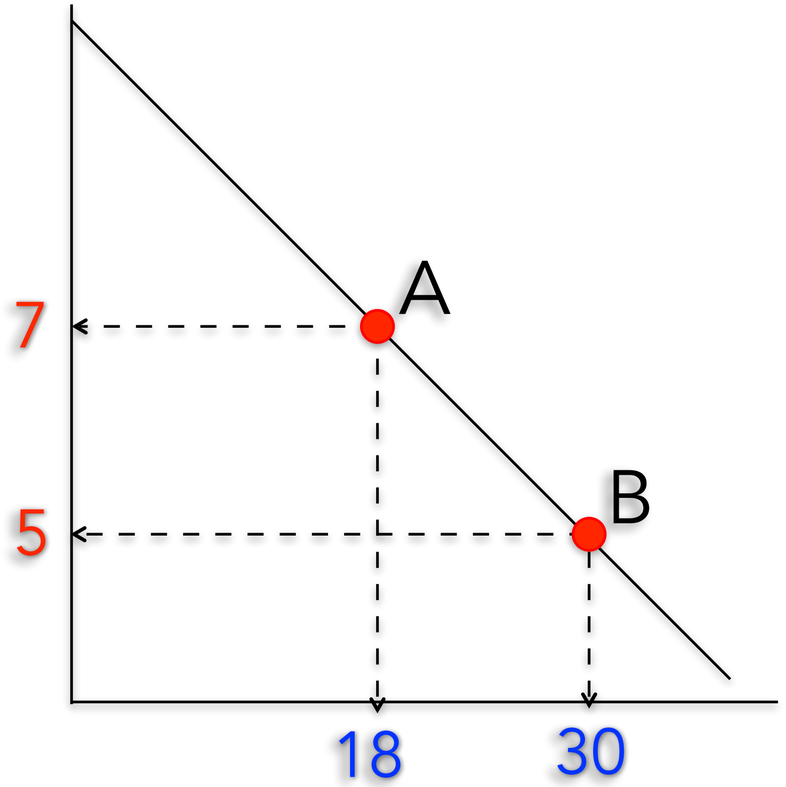
We need two points (price, quantity) along his/her demand line


A
B
7
5
18
30

elasticity

To measure a consumer's sensitivity to price changes

elasticity

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

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