

## What is Demand?

In addition to the desire to have something, what other factor determines a person's **demand** for a product or service?

According to your text, what does **microeconomics** deal with?

What is a **demand schedule**?

Look at the demand schedule for ice cream cones and answer the questions below:



### Demand Schedule for Ice Cream



Price of Ice-Cream Cone	Quantity of Cones Demanded
\$0.00	12
0.50	10
1.00	8
1.50	6
2.00	4
2.50	2
3.00	0

How many ice cream cones will people demand at the price of \$3?

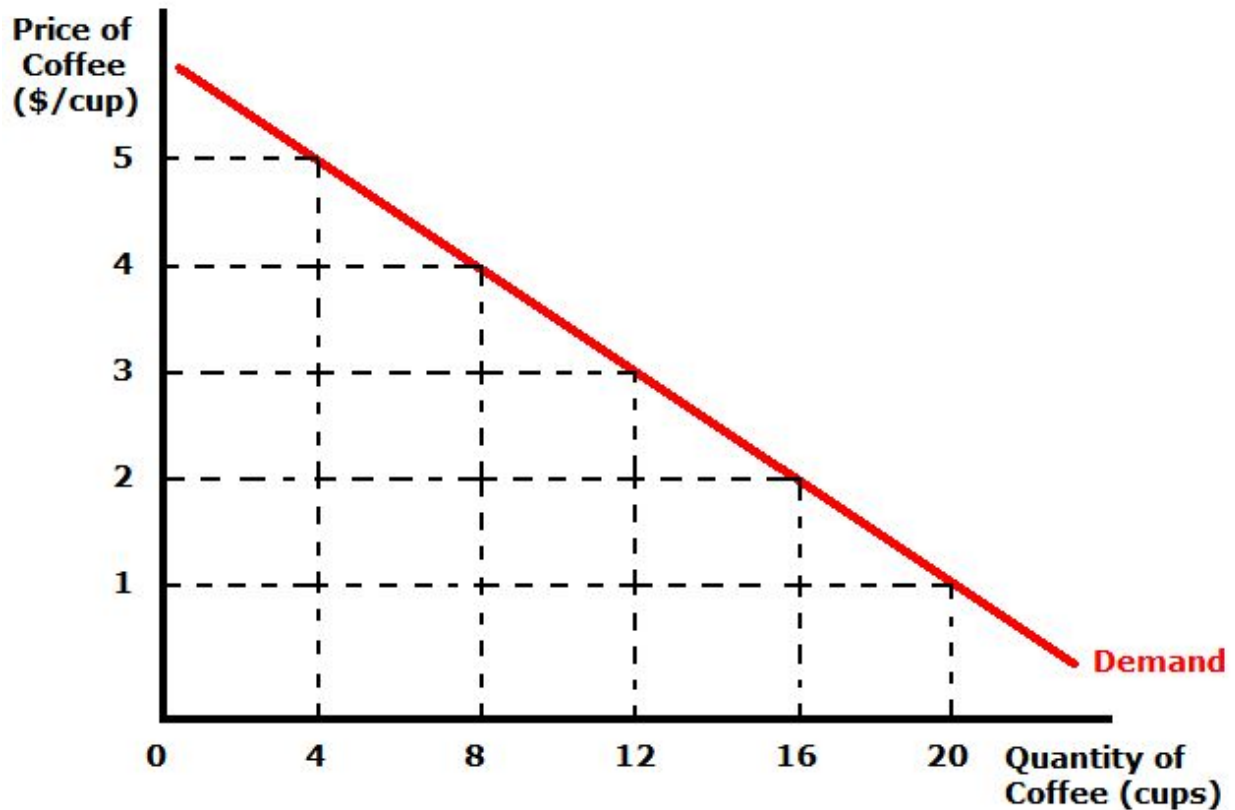
How many ice cream cones will people demand at \$1.50?

How many ice cream cones will people demand at \$ . 50?

As the price of a product falls the quantity demanded \_\_\_\_\_.

What is the **law of demand**?

Look at the demand curve for coffee below and answer the following questions:



At the price of \$ 1, how many cups of coffee will consumers demand?

At the price of \$3, how many cups of quantity will consumers demand?

At the price of \$5, how many cups of quantity will consumers demand?

As the price of a product rises, the quantity demanded \_\_\_\_\_ .

What is **marginal utility**?

According to the law of **diminishing marginal utility**, will a consumer enjoy his third cup of coffee as much as his first? (Hint: When you eat candy, do you enjoy the third Snickers bar as much as the first Snickers bar?)