# SNS COLLEGE OF TECHNOLOGY

## (An Autonomous Institution)

# DEMAND AND SCHEDULE

# What We'll Discuss

## TOPIC OUTLINE

Demand
Demand Schedule
Demand Curve
Law of Demand
Factors determining Demand

# What is Demand?

- It is the relationship between quantity demanded and price (Cost price-C.P.), within a specific period
- Or, it is the relationship between the maximum willingness to pay in return for something of value
- Market demand is the horizontal sum of individual demands
- It is market demand that commands our interest

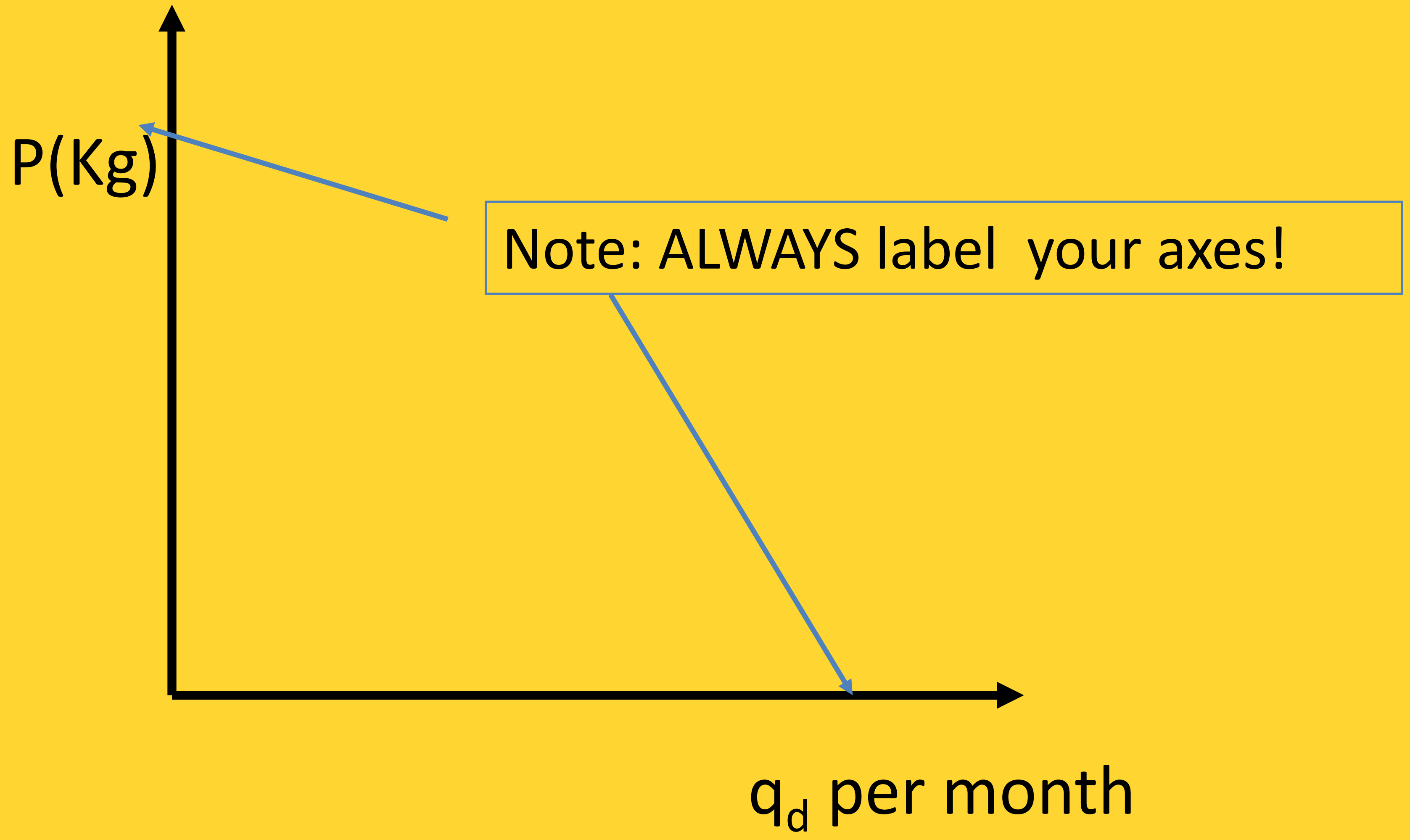
# Demand schedule

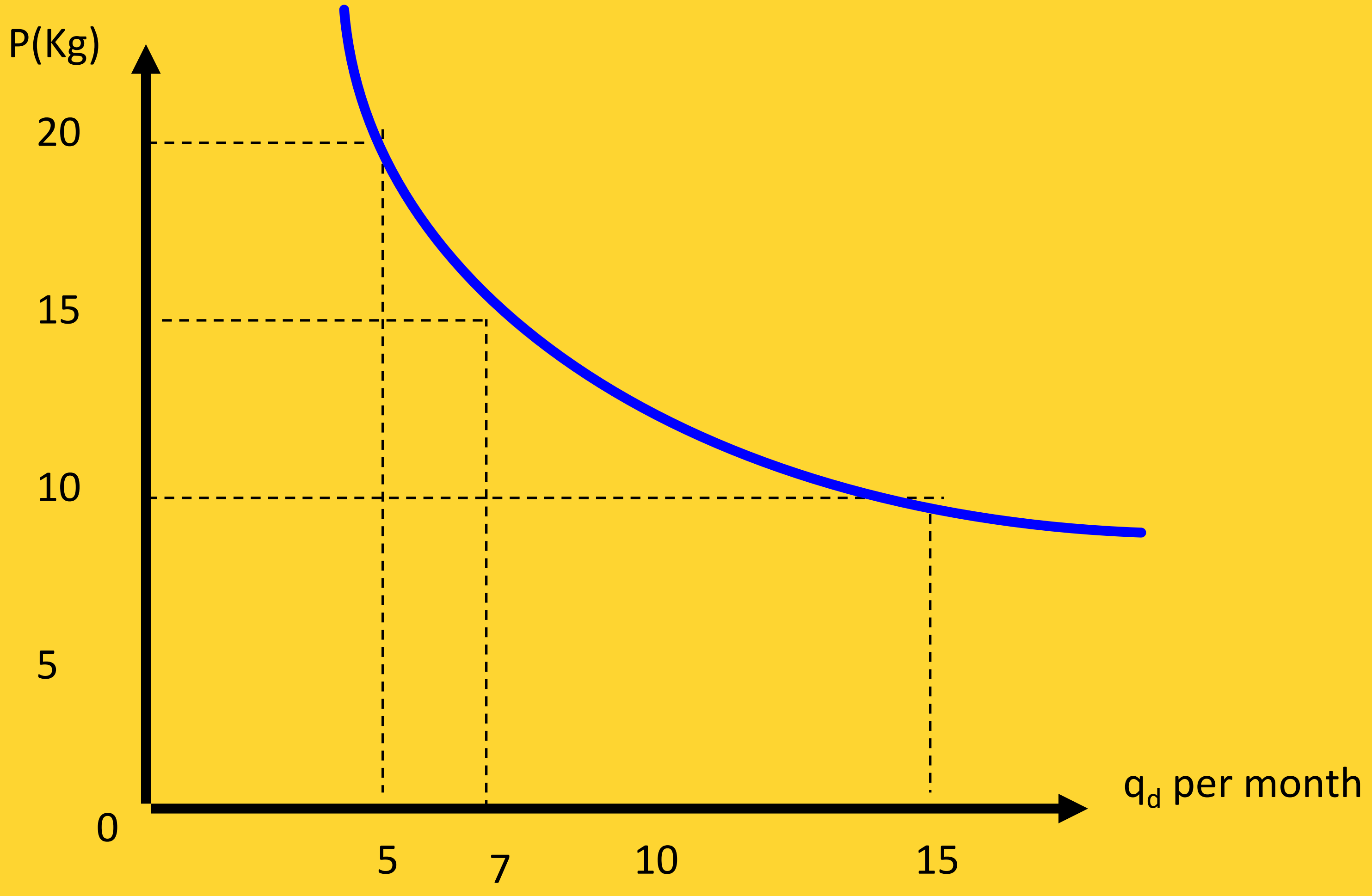
- Consider your demand for peanuts per month (This is called "Quantity Demanded, $q_d$")
- We will first look at this information in a table called a "Demand Schedule"
- Demand Schedule - a table showing the relationship between the price of a good and the quantity demanded per period of time, ceteris paribus (i.e.,provided all other parameters remains constant). Peanuts are measured in Kilograms.
- Market Demand Schedule - a table showing the relationship between the price of a good and the total quantity demanded by all consumers in the market per period of time, ceteris paribus.

| *P (Kg)* | $q_d$ |
|---|---|
| *Rs.20* | 5 |
| *Rs.15* | 7 |

# Demand Curve

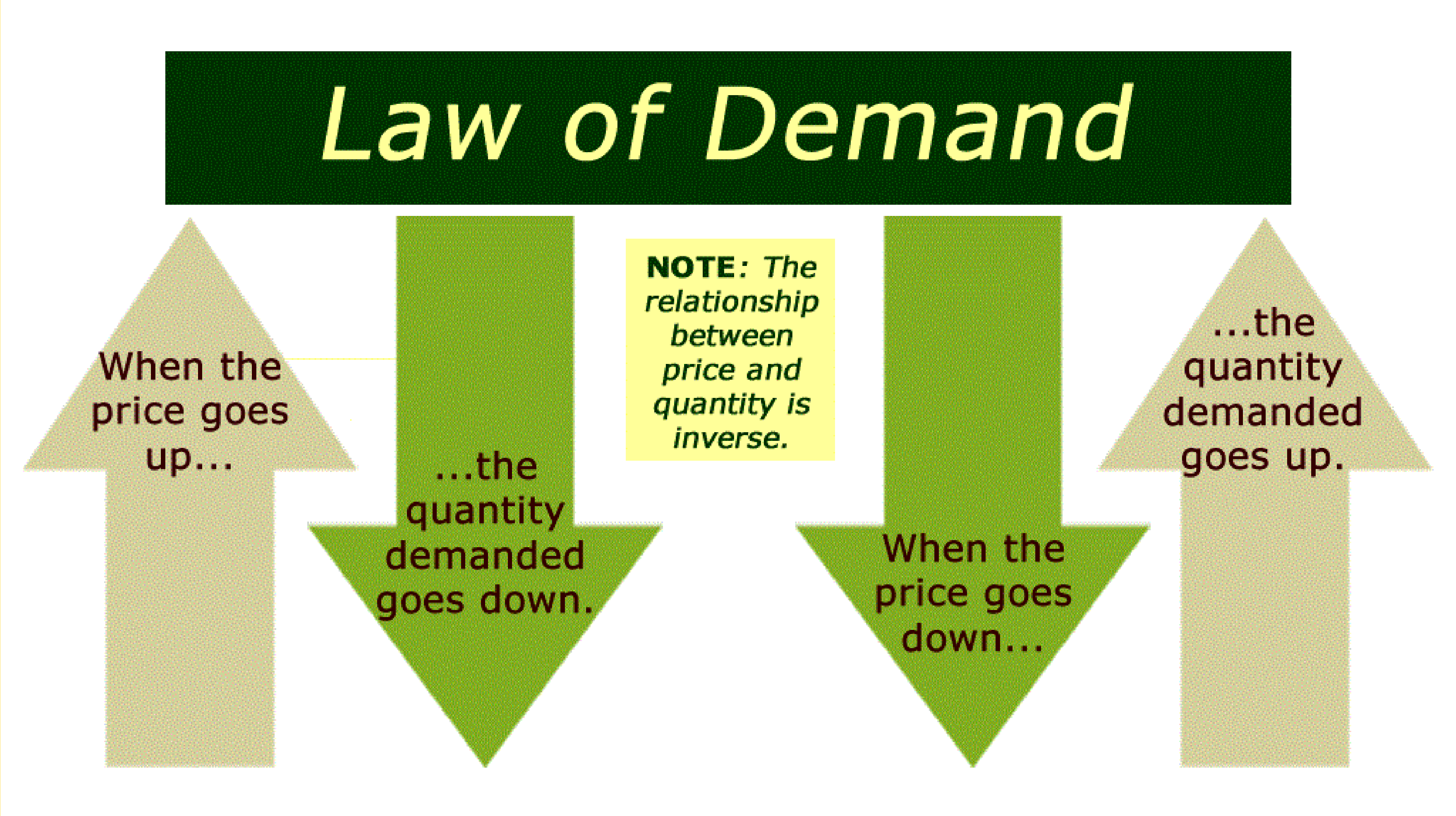
- **Demand Curve** - a graph of the demand schedule showing the relationship between the price of a good and the quantity demanded per period of time, ceteris paribus.



# Law of Demand

- The law of demand is a fundamental principle of economics **that states that at a higher price, consumers will demand a lower quantity of a good**.



# Factors affecting market demand, PINTE

- P = Prices
- I = income
- N = number of buyers
- T = tastes or preferences
- E = expectations about future prices and market conditions

# THANK YOU