

# Supply & Demand

## Discovery Digital Activity

Students learn the Law of Supply & Demand and other Economics Vocabulary Terms.

**GREAT** activity for any Economics class or Business class!

Includes a Critical Thinking Skills Activity.

**NO PREP!**  
**SAVES YOU TIME!**



BUSINESS EDUCATION WITH *Denise Leigh*

# A Great Introduction to Supply & Demand

**Students learn about:**

- The Law of Supply and Demand.
- Important economic vocabulary terms like price of elasticity of demand, substitution effect, law of supply, cost squeezes, price elasticity of supply, Giffen goods, Veblen goods, and others.

**Students use critical thinking skills to explain supply and demand issues during the pandemic and other situations.**

**NO PREP! Great for a Sub Day!**

**A Digital Activity that sends easily to any LMS!**

**REVIEW**

**Supply and Demand**

Click on [THIS LINK](#) to discover Supply and Demand. Use the information in the link to respond to the following.

**Describe the LAW OF SUPPLY AND DEMAND?**

How is the price of a good affected by the following?

|   |
|---|
| If you increase the price of a good, the quantity demanded will decrease.   |
| Equilibrium is reached when the quantity demanded equals the quantity supplied.   |
| When the price is above the equilibrium price, there is a surplus.  |
| When the price is below the equilibrium price, there is a shortage.   |
| Price elasticity of demand measures the responsiveness of quantity demanded to a change in price.   |
| Income elasticity of demand measures the responsiveness of quantity demanded to a change in income.   |
| Substitution effect: When the price of a good falls, the quantity demanded increases because the good is relatively cheaper than other goods. |
| Veblen Goods: Goods for which demand increases as prices increase.  |
| All of supply: A situation where the supply curve is perfectly elastic.   |
| Cost squeeze: A situation where the price of a good increases due to an increase in the price of its inputs.                                  |
| Price elasticity of supply: A measure of the responsiveness of quantity supplied to a change in price.  |

**Why is the Law of Supply and Demand important?**

**Use your CRITICAL THINKING SKILLS!**

List 3 things that cost more during the Covid 19 Pandemic...

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|  |

List 3 things that are in demand during the pandemic.

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|  |

any good that would be in demand during the following seasons in which the price changes with the seasons.

|        |
|--------|
| Spring |
| Summer |
| Winter |
| Fall   |

|   |  |
|---|--|
| You have been wanting a pair of the new Nike shoes but they are unavailable because they sold out so quickly. When a new shipment comes in, will you be able to get them on sale at a lower price? Explain... |  |
| The baseball park sells water for \$4.00 a bottle. Why would anyone pay that much for water?  |  |
| There are so many funnel cake food trucks at the county fair! Will funnel cakes be priced high or low? Explain...   |  |
| There is only one lemonade stand at the fair. Will lemonade be priced high? Explain...  |  |
| School districts are having a hard time finding substitute teachers! Should they increase or decrease the daily wage for subs in schools? Explain...  |  |

**Includes Teacher's Key**

A Digital Activity that sends easily to any LMS!

**Hi! My name is Denise Leigh. I have been teaching Business Education for over 25 years! I love collaborating with business educators all over the world. I am a 2022 Pennsylvania Teacher of the Year Finalist and relentless lifetime learner and lover of everything education. Engaging students and connecting them to their world is my jam! Thank you for exploring my resources and sharing my passion for BUSINESS EDUCATION!**

Denise Leigh is an expert on student-led instruction. She was featured on CBS Pittsburgh for her City Collaborative™ Project-Based Business Education (PBL) Classroom.

