

# Marketing I

## Supply & Demand Case Studies

Name: \_\_\_\_\_

Please look at the news reports for each market situation. Then complete each chart with short answers describing the change in each market, whether people will demand more or less, whether sellers will supply more or less,

1. DVD sales are sliding because more consumers are watching content digitally. (This involves two markets.)

Article: [bloomberg.com/news/articles/2015-01-06/u-s-dvd-sales-continue-to-slide-as-digitalviewing-soars](http://bloomberg.com/news/articles/2015-01-06/u-s-dvd-sales-continue-to-slide-as-digitalviewing-soars)

Market	What changed?	Demand	Supply	Equilibrium price and quantity
DVDs				
Digital Content				

2. Drought and demand from Arby's creates a brisket shortage; the article also mentions the increase in the popularity of brisket.

Article: [cbsnews.com/news/brisket-shortage-has-texas-barbecue-lovers-facing-rising-costs/](http://cbsnews.com/news/brisket-shortage-has-texas-barbecue-lovers-facing-rising-costs/)

Market	What changed?	Demand	Supply	Equilibrium price and quantity
Brisket				

3. There is an oversupply of oil from increased North American and Saudi Arabian production.

Article: [business.today.intoday.in/story/oil-prices-brent-crude-extends-loss-on-supply-glut-jan14/1/214565.html](http://business.today.intoday.in/story/oil-prices-brent-crude-extends-loss-on-supply-glut-jan14/1/214565.html)

Market	What changed?	Demand	Supply	Equilibrium price and quantity
Gasoline				

4. New cage laws for chickens decrease the number of chickens (and therefore the number of eggs).

Article: [cbsnews.com/news/why-egg-prices-will-likely-rise-in-2015/](http://cbsnews.com/news/why-egg-prices-will-likely-rise-in-2015/)

Market	What changed?	Demand	Supply	Equilibrium price and quantity
Eggs				

5. Movie ticket prices increase.

Article: [time.com/3666765/movie-theaters-ticket-prices-box-office-revenue-summer/](http://time.com/3666765/movie-theaters-ticket-prices-box-office-revenue-summer/)

Market	What changed?	Demand	Supply	Equilibrium price and quantity
Movie tickets				

6. Piano stores close down as fewer young people are taking up the instrument. The article also mentions that technology has improved so that pianos last longer.

Article: [lehighvalleylive.com/music/index.ssf/2015/01/piano\\_stores\\_closing\\_sales\\_plu.html](http://lehighvalleylive.com/music/index.ssf/2015/01/piano_stores_closing_sales_plu.html)

Market	What changed?	Demand	Supply	Equilibrium Price and Quantity
Pianos				

7. Consumers become more health conscious and reduce their consumption of donuts.

Article: [newsmax.com/health/Health-News/sugary-processed-foodspastries/2014/12/29/id/615359/](http://newsmax.com/health/Health-News/sugary-processed-foodspastries/2014/12/29/id/615359/)

Market	What changed?	Demand	Supply	Equilibrium Price and Quantity
Donuts				

8. The increase in Mexican immigrants and an increase in popularity for Mexican cuisine has resulted in greater consumption of tortilla chips.

Article: [cnn.com/2015/01/21/living/feat-tortilla-chip-history-tailgating-eatocracy/](http://cnn.com/2015/01/21/living/feat-tortilla-chip-history-tailgating-eatocracy/)

Market	What changed?	Demand	Supply	Equilibrium Price and Equilibrium Quantity
Tortilla chips				

9. As the American populations is aging, fast food consumption is falling.

Article: [today.com/health/hold-fries-were-eating-less-fast-food-study-says-1C8463926](http://today.com/health/hold-fries-were-eating-less-fast-food-study-says-1C8463926)

Market	What changed?	Demand	Supply	Equilibrium Price and Quantity
Fast food				

10. Avocados become America's favorite fruit.

Article: [washingtonpost.com/blogs/wonkblog/wp/2015/01/22/the-sudden-rise-of-the-avocadoamericas-new-favorite-fruit/](http://washingtonpost.com/blogs/wonkblog/wp/2015/01/22/the-sudden-rise-of-the-avocadoamericas-new-favorite-fruit/)

Market	What changed?	Demand	Supply	Equilibrium Price and Quantity
Avocados				

11. Dry weather has decreased Ghana's cocoa production by 22% from last year.

Article: [money.cnn.com/2015/06/23/investing/chocolate-cocoa-prices-go-up/](http://money.cnn.com/2015/06/23/investing/chocolate-cocoa-prices-go-up/)

Market	What changed?	Demand	Supply	Equilibrium price and quantity
Chocolate bars				

12. Hyundai's car sales are affected by lower gas prices.

Article: [autonews.com/article/20141202/RETAIL01/312029993/hyundai-falls-4-as-small-carstumble](http://autonews.com/article/20141202/RETAIL01/312029993/hyundai-falls-4-as-small-carstumble)

Market	What changed?	Demand	Supply	Equilibrium price and quantity
Small cars				
SUVs				