



ELASTICITY OF DEMAND

[Summury]

Subject : Business Economics

Paper No. & Title : 101
Microeconomics - I

Unit No. & Title : 5
Markets

Lecture No & : 3
: **Elasticity of Demand**

Summary

The program starts with defining demand and then a brief explanation of factors affecting demand, law of demand and then change in demand. Graphs are shown in the visual for the easy understanding of the concepts by the students

The program then comes to the main objective of explaining elasticity as a concept. The three types of elasticity of demand that is price elasticity, income elasticity and cross elasticity are explained in detail. The interrelationship between average revenue, marginal revenue and elasticity demand is described using diagram. The program ends with briefly discussing the importance of the concept of elasticity of demand.