

<b>Lesson/Unit Title</b>	<b>What Do You Want? Economic Concept of ‘Demand’</b>
<b>Day(s)</b>	9
<b>Grade Level</b>	11-12
<b>Curriculum Areas</b>	Economics
<b>Website(s)</b>	<a href="http://www.econextra.swlearning.com">www.econextra.swlearning.com</a> Website for Southwestern-Thomson’s <u>Contemporary Economics</u> text, William A McEachern, 2005© by South-Western
<b>Teacher Resources</b>	<ul style="list-style-type: none"> <li>• <i>Contemporary Economics</i> by William A McEachern <a href="http://www.econextra.swlearning.com">www.econextra.swlearning.com</a> Website for Southwestern-Thomson’s <u>Contemporary Economics</u> text, William A McEachern, 2005© ISBN 0-538-43701-4</li> <li>• PowerPoint: “<i>Economics of Demand</i>”</li> <li>• Worksheets – Attached Below <ul style="list-style-type: none"> <li>Section 1 assessment worksheet – Demand</li> <li>Section 2 assignment – Demand</li> <li>Section 3 assignment – Demand</li> <li>Assignment – Market Demand for Andes Central HS</li> </ul> </li> </ul>
<b>Unit Overview</b>	<p>This unit explores the economic concepts of “demand.” At the completion of the unit, students will be able to:</p> <ul style="list-style-type: none"> <li>• Explain the law of demand</li> <li>• Interpret a demand schedule and a demand curve</li> <li>• Compute the elasticity of demand, and explain its relevance</li> <li>• Discuss the factors that influence elasticity of demand</li> <li>• Identify the determinants of demand, and explain how a change in each will affect the demand curve</li> <li>• Distinguish between “money price” and “time price” of goods</li> </ul> <p><b>Daily Lesson Overview</b>  <b>Day 1:</b> The Demand Curve  <b>Day 2:</b> Elasticity of Demand  <b>Day 3:</b> Changes in Demand  <b>Day 4:</b> Demand Schedule and Demand Curve  <b>Day 5:</b> Market Research Project  <b>Day 6:</b> Compile and Analyze Market Research  <b>Day 7:</b> Presentation of Market Research  <b>Day 8:</b> Review  <b>Day 9:</b> Test</p>
<b>Nebraska Frameworks Essential Learnings</b>	<p><b>Foundation Skills and Knowledge</b></p> <p><b>Computer Applications Essential Learning BE 12.4</b>  Students will understand a variety of application software. They will demonstrate competency by utilizing appropriate software for specific tasks.  <b>Example Indicators</b>  <i>Advanced Features</i> – use advanced features (graph, merge, sort, filter, link, embed) of common application software.  <i>Application Software</i> – use application software (word processing, desktop publishing, spreadsheet, database, presentation)</p> <p><b>Economics and Personal Finance Essential Learning BE 12.5</b>  Students will understand basic economic and financial principals in order to make wise domestic and global economic decisions related</p>

	<p>to their personal finance affairs, the successful operation of organizations and the economic activities of the country. They will demonstrate competency by applying economic and personal finance reasoning to individual, business and government practice.</p> <p><b>Example Indicators</b></p> <p><i>Market Structures</i> – compare and contrast the different types of market structures and the effect they have on price and quality of the goods and services produced.</p> <p><i>Markets and Prices</i> – analyze and describe the role of markets and the prices in the United States economy.</p> <p><i>Productivity</i> – explain the importance of productivity and how it is affected through specialization, division of labor, investment in physical and human capital and technological change.</p> <p><i>Consumer Management</i> – explain and identify a research technique and a decision-making model to maximize consumer satisfaction and safety when buying goods and services.</p>
<p><b>Link to Nebraska Standards</b></p>	<p><b><u>Reading/Speaking/Listening</u></b></p> <ul style="list-style-type: none"> <li>• Students will identify the main idea and supporting details in what they have to read.</li> <li>• Students will identify, locate, and use multiple resources to access information on an assigned or self-selected topic.</li> <li>• Students will write using standard English for sentence structure, usage, punctuation, capitalization, and spelling.</li> <li>• Students will demonstrate the ability to use self-generated questions, note-taking, summarizing and outlining while learning.</li> <li>• Students will participate in group discussions by asking questions and contributing information and ideas.</li> <li>• Students will identify information gained and complete tasks through listening.</li> </ul> <p><b><u>Mathematics</u></b></p> <ul style="list-style-type: none"> <li>• Students will identify the appropriate operation and do the correct calculations when solving word problems.</li> <li>• Students will read and interpret tables, charts, and graphs to make comparisons and predictions.</li> </ul> <p><b><u>Social Studies/History</u></b></p> <ul style="list-style-type: none"> <li>• Explain the structure and operation of the United States economy and the role of citizens as producers and consumers</li> </ul>
<p><b>NBEA Curriculum Standards</b></p>	<p><b>Economics:</b></p> <p><b>IV. Markets and Prices</b>--Analyze the role of markets and prices in the U.S. economy</p> <p><b>V. Market Structures</b>--Analyze the different types of market structures and the effect they have on the price and the quality of the goods and services produced.</p> <p><b>Personal Finance:</b></p> <p><b>I. Personal Decision Making</b>--Use a rational decision-making process as it applies to the roles of citizens, workers, and consumers.</p>

	<p><b>II. Earning a Living</b>--Identify various forms of income and analyze factors that affect income as a part of the career decision-making process.</p> <p><b>V. Buying Goods and Services</b>--Apply a decision-making model to maximize consumer satisfaction when buying goods and services.</p>
<b>National Economics Standards</b>	<p><b>Standard 1:</b> Scarcity  <b>Standard 2:</b> Marginal Cost/Benefit  <b>Standard 4:</b> Role of Incentives  <b>Standard 7:</b> Markets-Price and Quantity Determination  <b>Standard 8:</b> Role of Price in Market System</p>
<b>National Personal Finance Standards</b>	<p><b>Standard 2:</b> Money Management  <b>Standard 3:</b> Spending</p>
<b>Nebraska Math Standards</b>	<p><b>8.5 Data Analysis, Probability, and Statistical Concepts</b>  8.5.2 Students will read and interpret tables, charts, and graphs to make comparisons and predictions.  <b>12.2 Computation/Estimation</b>  12.2.1 Students will solve theoretical and applied problems using numbers in equivalent forms, radicals, exponents, scientific notation, absolute values, fractions, decimals, and percents, ratios and proportions, order of operations, and properties of real numbers.  12.2.2 Students will justify solutions to mathematical problems.  12.2.3 Students will perform estimations and computations of real numbers mentally, with paper and pencil, and with technology.</p>
<b>Teaching Strategies, Procedures and Activities</b>	<p style="text-align: center;"><b><u>Day 1</u></b></p> <p><b>Outcome:</b> Students will explain the law of demand and interpret a demand schedule and demand curve.</p> <p><b>NOTE: To access any underscored activities, assessments, etc in this unit, hit “Ctrl” and “left mouse button” to move to that link!</b></p> <p><b>Step 1:</b> Introduce an item that most students will or do buy (for example soda). Ask how many students would buy the item for \$5 and how many of that item they would buy a day. Record this information on the board. Now move to \$4.50, \$4.00, and go until about \$0.50. Keep recording this information on the board. Make a chart of their responses on the board. Ask them what they can see happening from the drop in price. Introduce the law of demand.  <b>Step 2:</b> PowerPoint Lecture – Section 1  <b>Step 3:</b> Create an individual demand curve and a market demand curve for the example above in class. Have students come up to the board and demonstrate how to create them.  <b>Step 4:</b> Assignment: <a href="#">Section 1 In-Class Questions</a></p> <p style="text-align: center;"><b><u>Day 2</u></b></p> <p><b>Outcome:</b> Students will compute the elasticity of demand, explain its relevance, and discuss the factors that influence elasticity of demand.</p>

**Step 1:** Ask students what the word “elastic” means? After receiving a correct definition, ask students what they think elasticity of demand means. Introduce the lesson.

**Step 2:** PowerPoint (“*Economics of Demand*”) Lecture: Section 2

**Step 3:** Give examples on the board. If the price of soda drops from \$1.25 to \$1.00 per bottle, what will probably happen to the demand? Complete graphs on the board/overhead.

**Step 4:** Discuss the equation for elasticity of demand. Perform examples in class.

**Step 5:** Assignment: [Section 2 Worksheet](#)

### **Day 3**

**Outcome:** Students will identify determinants of demand, explain how a change in each will affect the demand curve, and distinguish between the money price of a goods and the time price of a good.

**Step 1:** Give an example of an item that was really expensive when it first came out. (for example a PlayStation, Xbox, Digital Camera, DVD Recorder, etc.) Ask students how many would have paid that price when it was first introduced. Find out current selling prices.

Ask students if they are more willing to buy the product now? Has changed at all for the product? Introduce the section.

**Step 2:** PowerPoint (“*Economics of Demand*”) Lecture – Section 3

**Step 3:** Show changes in graphs – give examples and have students graph the changes.

**Step 4:** Assignment: [Section 3 Worksheet](#)

### **Day 4**

**Outcome:** Students will create a demand schedule and a market demand curve for a specific product.

**Step 1:** Review demand schedules and curves

**Step 2:** Introduce and explain Demand Activity

**Step 3:** Assignment: [Andes Central Market Demand Activity](#)

### **Day 5**

**Outcome:** Students will conduct market research, create a demand schedule and a market demand curve for a specific product.

**Step 1:** Discuss Activity from the previous day, check for understanding.

**Step 2:** Students continue working on projects

### **Day 6**

**Outcome:** Students will conduct market research, create a demand schedule and a market demand curve for a specific product.

**Step 1:** Discuss activity from the previous day, check for understanding.

**Step 2:** Students continue working on projects.

### **Day 7**

**Outcome:** Students will be able to explain their data and present their findings to the class.

**Step 1:** Discuss expectations again.

**Step 2:** Students begin presentations.

**Step 3:** Discussion

### **Day 8**

**Outcome:** Students will be able to identify, discuss, and explain concepts from the unit.

	<p><b>Step 1:</b> Review concepts  <b>Step 2:</b> Assignment: Review Games, Online Review, Unit Review Questions.</p> <p style="text-align: center;"><u><b>Day 9</b></u></p> <p><b>Unit Test</b></p>
<p><b>Assignments</b></p>	<p><b>NOTE: To access any underscored activities, assessments, etc., hit “Ctrl” and “left mouse button” to move to that link!</b></p> <p><b>Assignment 1: In Class Review</b>  Check for understanding by discussing the following questions from the lecture and examples given in class. Have students do the bottom section on their own. <a href="#">Section 1 Assessment</a></p> <p><b>Assignment 2: Section 2 Worksheet</b>  Students will create a graph for the provided demand schedule. They will calculate the total revenue for each situation. They must answer the questions based on the schedule and graph. See attached. <a href="#">Section 2 Worksheet</a></p> <p><b>Assignment 3: Section 3 Worksheet</b>  After checking for understanding, have students complete the section 3 worksheet. <a href="#">Section 3 Worksheet</a></p> <p><b>Assignment 4: Market Demand for Andes Central</b></p> <ol style="list-style-type: none"> <li>1. Pick an item that many students at Andes Central buy/consume.</li> <li>2. Create a survey and distribute to students to find out what the demand for your product would be at certain prices.</li> <li>3. Collect the data and create a demand schedule.</li> <li>4. Create a market demand curve for the product. (make it professional looking)</li> <li>5. Answer the following questions: <ol style="list-style-type: none"> <li>a. Does the law of demand hold true?</li> <li>b. What is the elasticity of demand?</li> <li>c. Is it elastic, inelastic, or unit elastic?</li> <li>d. What is the total revenue for each example? Which option is the best profit-maximizing option?</li> <li>e. Are there any products that are complements or does it have any substitutes? If so, what are they?</li> <li>f. Is this product a normal good or an inferior good?</li> <li>g. To be considered demand, the consumer must be _____ and _____ to buy the product.</li> <li>h. Does the law of diminishing marginal utility hold true in this example? Why or why not?</li> <li>i. Does the income effect have any influence on the market demand at Andes Central? Explain your answer.</li> <li>j. Explain the difference between demand and quantity demanded.</li> <li>k. The law of demand states: <ol style="list-style-type: none"> <li>1. What did you learn from this activity?</li> </ol> </li> </ol> </li> </ol>

	<p>6. Student presentation of data to the class, either as an individual or group assignment. <a href="#">Market Demand for Andes Central</a></p> <p><b>Assignment 5: Presentation</b> Present Findings on Market Demand Activity for Andes Central</p>														
<p><b>Math Applications</b></p>	<p><b>Assignment 1:</b> In assignment 1, students must determine individual and market demand for a product/service of their choice. By surveying 5-10 students, they can figure market demand by adding each answer at each price. They will create a demand schedule and a demand curve with this information and graph their findings.</p> <p><b>Assignment 2:</b> Students must graph a demand curve and determine total revenue for each situation given. They will also calculate elasticity of demand.</p> <p><b>Assignment 3:</b> Students must identify what type of shifts would happen to the demand curve when certain situations are applied.</p> <p><b>Assignment 4:</b> Students must conduct market research and determine the market demand for an item of their choice. They will calculate cost of production, elasticity of demand, and create graphs to demonstrate the law of demand.</p> <p><b>Assignment 5:</b> Students will present findings and explain calculations.</p>														
<p><b>Assessment</b></p>	<p>Students will be assessed in the following areas:</p> <table border="1" data-bbox="711 932 1357 1209"> <thead> <tr> <th>Lesson/Unit Evaluation Criteria</th> <th>Points</th> </tr> </thead> <tbody> <tr> <td>Student Participation</td> <td>20</td> </tr> <tr> <td>Assignment 1: Section 1 In-Class Review</td> <td>35</td> </tr> <tr> <td>Assignment 2: Section 2 Worksheet</td> <td>20</td> </tr> <tr> <td>Assignment 3:Section 3 Worksheet</td> <td>30</td> </tr> <tr> <td>Assignment 4: Market Demand for Andes Central High School (and presentation)</td> <td>112</td> </tr> <tr> <td><b>Total Possible Points for Unit</b></td> <td><b>217</b></td> </tr> </tbody> </table> <p><b>Grading Scale:</b></p> <p>A= 93-100%  B= 85-92%  C= 78-84%  D= 69-77%  F= 68% or below</p> <p><b>Instructor Comments:</b></p>	Lesson/Unit Evaluation Criteria	Points	Student Participation	20	Assignment 1: Section 1 In-Class Review	35	Assignment 2: Section 2 Worksheet	20	Assignment 3:Section 3 Worksheet	30	Assignment 4: Market Demand for Andes Central High School (and presentation)	112	<b>Total Possible Points for Unit</b>	<b>217</b>
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<p><b>Teacher</b></p>	<p>Stacy Otten</p>														
<p><b>School</b></p>	<p>Andes Central School, Lake Andes, SD</p>														

<b>Market Demand Grading Rubric</b>			
	<b>Excellent</b>	<b>Satisfactory</b>	<b>Needs Improvement</b>
<b>Accuracy</b> /20	<b>14-20</b> No mistakes, misspellings or incorrect data	<b>7-13</b> Some mistakes made. Data is somewhat accurate	<b>0-6</b> Made several mistakes. Inaccurate mathematical data or calculations.
<b>Demonstrated learning and understanding</b> /20	<b>14-20</b> Activity indicates students understood the material well. Realistic information was presented/used. Followed directions.	<b>7-13</b> Activity indicates student understood most of the material. Reasonable information used. Followed most of the directions.	<b>0-6</b> Activity indicates student did not understand the material at all. Unreasonable information used. Did not follow directions.
<b>Research Methods/Conduct</b> /20	<b>14-20</b> Research methods were done appropriately. Correct information was surveyed and obtained.	<b>7-13</b> Research methods were done somewhat appropriately. Some correct information was surveyed and obtained.	<b>0-6</b> Research was not done correctly. No information was surveyed or obtained.
<b>Neat and orderly</b> /10	<b>7-10</b> Attractive design. Appearance adds understanding	<b>3-6</b> Moderately neat. Acceptable appearance.	<b>0-2</b> Lacks neatness and order. Hard to understand
<b>Creativity</b> /5	<b>4-5</b> Was very creative. Used original ideas and features.	<b>2-3</b> Was somewhat creative. Used some original ideas and features.	<b>0-1</b> Was not creative. Used no original ideas or features.
<b>Participation</b> /10	<b>7-10</b> Spent time on task. Turned work in on time.	<b>3-6</b> Usually used time well. Submitted work on time.	<b>0-2</b> Did not use time wisely. Did not turn work in on time.
<b>Peer Group Ratings</b> /18			
<b>Presentation (see attached rubric)</b> /15			
<b>Total Points</b> /112			
<b>Project Grade for Market Demand Grading Scale</b>	A = 105-112 B = 96-104 C = 88-95 D = 78-87 F = <77		<b>Grade Received</b>

<b>Group Cooperation Checklist</b>		
<b>Categories and Specific Traits</b>	<b>Yes</b>	<b>No</b>
<b>Group Process Skills</b>		
Stayed on task		
Handled material and equipment properly		
Divided up the task		
Resolved disagreements in a timely manner		
Resolved disagreements fairly		
Maintained proper voice level for situation		
Showed appropriate social skills		
<b>Fulfillment of Task</b>		
Completed on time		
Met quality standards for type of project (speaking, writing, etc.)		
Decision(s) appropriate to task		
Showed creativity and risk-taking		
<b>Individual Group Member Performance</b>		
Worked for good of group		
Fulfilled specific role assignment(s)		
Fulfilled specific independent task(s)		
Contributed ideas		
Not dominant or passive		
Show appreciation for work of others		
Worked well with other group members		
<b>Total Points (1 point for Yes, 0 for No)</b>		
Source: Page 95, Nebraska Frameworks Curriculum Standards		

<b>Presentation Rubric</b>				
<b>Criteria</b>	<b>Score</b>	<b>Excellent (3 pts.)</b>	<b>Satisfactory (2 pts.)</b>	<b>Needs Improvement (1 pt.)</b>
<b>Voice quality, diction</b>		Clear and concise; correct grammar used	Somewhat difficult to understand; minor incorrect grammar usage	Could not understand; correct grammar not used
<b>Poise and appearance</b>		Used gestures effectively; excellent eye contact; self-confident	Used gestures; good eye contact; some nervousness detected	No gestures; no eye contact; very nervous
<b>Slides or visual content</b>		Used many exciting and information visuals during the presentation	Used some visuals during the presentation	Did not use visuals during the presentation
<b>Information</b>		Topic covered in great detail; relevant facts presented in a logical concise manner	Topic covered; most facts presented	Topic not entirely covered
<b>Creativity</b>		Original and unique	Acceptable, but not unique	Dull and boring
<b>Total (15 pts.)</b>				

### Section 1 Worksheet - Demand

1. Many students would like to own expensive things that they can't afford, is this considered demand? Why or why not?
  
2. Why would demand for one shoe store's items grow if the price of the items at the store across the street increased by 10%?
  
3. How would the income effect of a price change be demonstrated by a \$10 reduction in the price of tickets to a concert that resulted in a sell-out crowd?
  
4. Joe is willing to pay \$1.50 for one soft drink after basketball practice but chooses not to purchase a second one for the same price. How does this demonstrate the law of diminishing marginal utility?
  
5. On Saturday night, lots of people attend movies at the State Theatre. The number who attend depends at least in part on the price of the tickets. At the current price of \$8 per ticket, an average of 285 tickets are sold each Saturday night. What is the demand and the quantity demanded in this example?
  
6. What is the market demand for lunches in the cafeteria at school?

#### Graphing Exercise

7. Pick an item you and your friends purchase regularly. Survey five to ten of your friends to see how many items they would purchase at each price (you determine the prices). Create a demand schedule and demand curve for this item. Explain how your graph demonstrates the law of diminishing marginal utility.

Quantity Demanded for \_\_\_\_\_

Price	Quantity Demanded	1	2	3	4	5	6	7	8	9	10

*Create your graph on the back or in Excel and attach.*

## Section 2 Assignment – Demand

Graph the following schedule:

### Demand Schedule for Desktop Computers

Price	Quantity Demand	Revenue
\$1,000.00	5000	
\$900.00	6000	
\$825.00	6800	
\$700.00	7500	
\$550.00	8500	

1. If the store decided to increase the price of its desktop computers from \$825 to \$900, the stores sales will fall by how many computers?
2. What is the elasticity of demand?
3. Is the price elasticity of demand elastic, unit elastic, or inelastic?
4. Will the store's total revenue increase, decrease, or remain unchanged?

### Section 3 Assignment – Demand

1. What would happen to the demand curve for cars if the price of gas increased to \$6 per gallon? Which of the determinants of demand does this illustrate?
2. What would happen to the demand curve for an exercise program if a famous celebrity said it was the best plan she has ever done? Which of the determinants of demand does this illustrate?
3. What would happen to the demand curve for shoes today if a large store advertises that if you buy pair of shoes next week you get the second pair ½ price next week? Which of the determinants of demand does this illustrate?
4. If the price of hamburger increases by \$0.50 per pound and the price of substitute products stays the same, what will happen to the demand curve? Explain your answer.
5. Why would the demand for microwave popcorn that will cook in 3 minutes be greater than popcorn you have to cook in oil be greater?
6. Label whether each of these events would lead to a **shift** to the *left* or the *right*:
  - a. Many people decide to buy new shoes for the town walk-a-thon
  - b. There is a drought
  - c. Income taxes are increased
  - d. A new housing development is built near a mall
  - e. Minimum wage is increased
  - f. Due to a slow economy, many workers are laid off
  - g. The stock market is down

## Market Demand for Andes Central

1. Pick an item that many students at Andes Central High School buy/consume.
2. Create a survey and distribute to students to find out what the demand for your product would be at certain prices.
3. Collect the data and create a demand schedule.
4. Create a market demand curve for the product. (make it professional looking)
5. Answer the following questions:
  - a. Does the law of demand hold true?
  - b. What is the elasticity of demand?
  - c. Is it elastic, inelastic, or unit elastic?
  - d. What is the total revenue for each example? Which option is the best if you wanted the best profit maximizing option?
  - e. Are there any products that are complements or does it have any substitutes? If so, what are they?
  - f. Is this product a normal good or an inferior good?
  - g. To be considered demand, the consumer must be \_\_\_\_\_ and \_\_\_\_\_ to buy the product.
  - h. Does the law of diminishing marginal utility hold true in this example? Why or why not?
  - i. Does the income effect have any influence on the market demand at Andes Central? Explain your answer.
  - j. Explain the difference between demand and quantity demanded.
  - k. The law of demand states:
  - l. What did you learn from this activity?
6. You will present this data to the class!