

Name _____

The Dance of Demand: How Consumer Behavior Calls the Shots

Multiple Choice Questions

1. What is demand in economics?
 - a) The quantity of a product that people want
 - b) The quantity of a product that people are willing to buy at different prices
 - c) The quantity of a product that is available in the market
 - d) The quantity of a product that producers are willing to sell

2. How does consumer behavior influence demand?
 - a) By increasing the supply of goods
 - b) By changing the price of goods
 - c) By influencing the quantity of goods people are willing to buy at different prices
 - d) By controlling advertising and trends

3. What does the Law of Demand state?
 - a) When the price of a product goes down, people buy less of it.
 - b) When the price of a product goes up, people buy more of it.
 - c) When the price of a product goes down, people buy more of it.
 - d) When the price of a product goes up, people buy less of it.

4. What are substitutes and complements in consumer behavior?
 - a) Substitutes are products that go together, and complements are products that can replace each other.
 - b) Substitutes are products that can replace each other, and complements are products that go together.
 - c) Substitutes are products that are always inelastic, and complements are products that are always elastic.
 - d) Substitutes and complements have no impact on consumer choices.

5. What is price elasticity?
 - a) The measure of how much people love a product.
 - b) The measure of how responsive people are to price changes for a product.
 - c) The measure of how many substitutes are available for a product.
 - d) The measure of how much advertising influences consumer behavior.

