

Name _____

Shift Happens: Factors that Influence Supply Curve

Open-Ended Response Answer Key

1. If a new technology makes apple harvesting more efficient and lowers production costs for apple growers, it would likely lead to an increase in the supply of apples. As a result, the supply curve for apples would shift to the right, indicating that more apples can be supplied at various prices. This could lead to lower apple prices for consumers, higher quantities of apples available in the market, and potentially more business opportunities for apple growers.
2. An example of a change in the number of producers leading to a shift in the supply curve is the rise of electric car manufacturers. When more companies entered the electric car market, the overall supply of electric cars increased, resulting in a rightward shift in the supply curve. This shift made electric cars more accessible to consumers and led to greater competition in the industry.
3. It's important for businesses and consumers to understand the factors that can cause shifts in the supply curve because these shifts directly impact the availability and prices of products. Businesses need to adapt to changing supply conditions to remain competitive and meet consumer demands effectively. Consumers benefit from understanding these factors as they can make informed decisions about when and what to buy based on supply changes, which can affect product availability and prices in the market.

