

# Beat the Teacher

*Highlight any errors you find in the following article*

## Demand

Demand is the quantity a buyer is willing and able to **sell (buy)** at a given price in a given period of time.

When we plot the demand curve, price is on the x axis and quantity is on the y axis. The demand curve is **upward (downward – remember d for downward d for demand)** sloping. This is because there is an inverse relationship between price and quantity i.e. as price rises quantity falls.

A movement along the demand curve is caused by a change in the price of the good. A decrease in price causing a rise in quantity demanded will cause a **contraction (extension)** in the demand curve.

Other factors that cause quantity demanded to rise or fall make the demand curve shift. If the demand curve shifts to the left quantity demanded **rises (falls – remember left is less)**.

Factors that cause the demand curve to shift include price of substitutes, advertising, **indirect taxes (indirect taxes cause the supply curve to shift)** and income.