Shifts in the Demand Curve

* The demand curve presents an accurate depiction of the demand levels for a good as long as the only change is price
* In the real world, there will be many things that can cause demand to shift, namely, income, consumer expectations, population, consumer tastes and advertising and prices of related goods
* **Income** – someone reminds me of the income effect. This leads to normal and inferior goods – explain
* **Consumer Expectations** – If I think that the economy is going to be stronger, and I will have more money my demand will increase. On the other hand, if I think the economy is going to weaken then my demand will decrease. What if the salesperson tells you the product will be on sale next week?
* **Population** – why did the NFL push so hard for over a decade to get a football team back in Los Angeles??
* **Consumer Tastes and Advertising** – consumer tastes and preferences are always changing. Any examples??
* **Price of Related Goods** – complements and substitutes - explain