

Name: _____ Hour: _____ **Quiz W**

Elasticity Quiz

Directions: Answer the questions below for demand elasticity. Show all your work and circle the elasticity AND the type elasticity.

1. Susan has an ice cream shop where she sells ice cream cones for \$1.50 a piece. Susan decides to up her price to \$2.00.

Price per Ice Cream Cone	Cones demanded per day
\$1.00	350
\$1.50	275
\$2.00	200
\$2.50	125
\$3.00	50

Calculate the elasticity of demand.

- a. 0.42
- b. 0.67
- c. 0.81
- d. 1.5
- e. 4

What type of elasticity is this?

- a. Inelastic
- b. Elastic
- c. Unit Elastic
- d. Spastic Elastic

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2. The price of gas rose from \$3.35 to \$3.70 per gallon. As a result, quantity demand went from 500 to 480 gallons per week.

Calculate the elasticity of demand for Gasoline

- a. 0.38
- b. 0.4
- c. 1
- d. 1.25
- e. 2

What type of elasticity is reflected in question #2?

- a. Inelastic
 - b. Elastic
 - c. Unit Elastic
 - d. Spastic Elastic
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3. Mohammed is a tour guide in Egypt. He decides to reduce the prices of his tours of the Pyramids from \$75 to \$60 per tour. As a result, the quantity demanded rose from 100 tours to 150 tours.

Calculate the elasticity of demand.

- a. 0.5
- b. 1
- c. 1.5
- d. 2.5
- e. 4

What type of elasticity is this?

- a. Inelastic
 - b. Elastic
 - c. Unit Elastic
 - d. Spastic Elastic
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Directions: Use the graph to answer the questions below

4. What is the elasticity if we move from *point A* to *point B* on the graph?

- a. 0.4
- b. 0.66
- c. 1
- d. 1.34
- e. 6.06

What type of elasticity is this?

- f. Inelastic
- g. Elastic
- h. Unit Elastic
- i. Spastic Elastic

