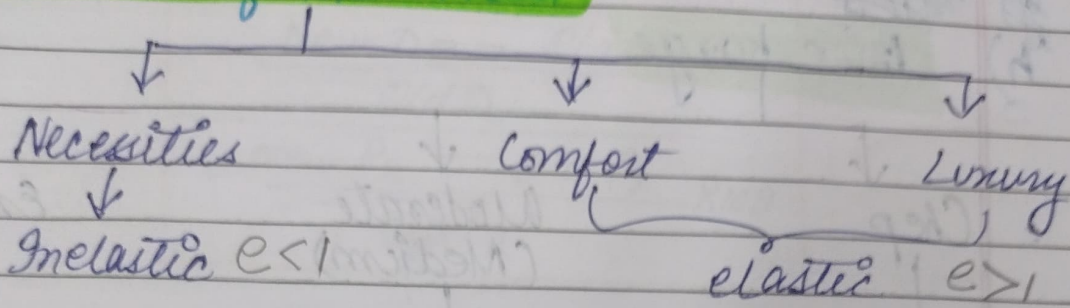
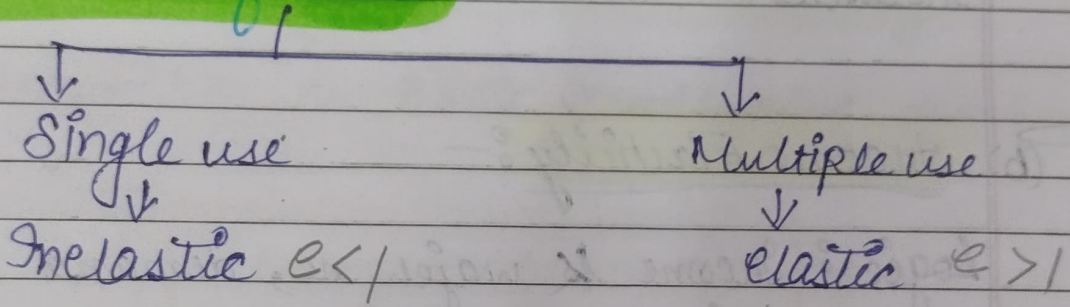


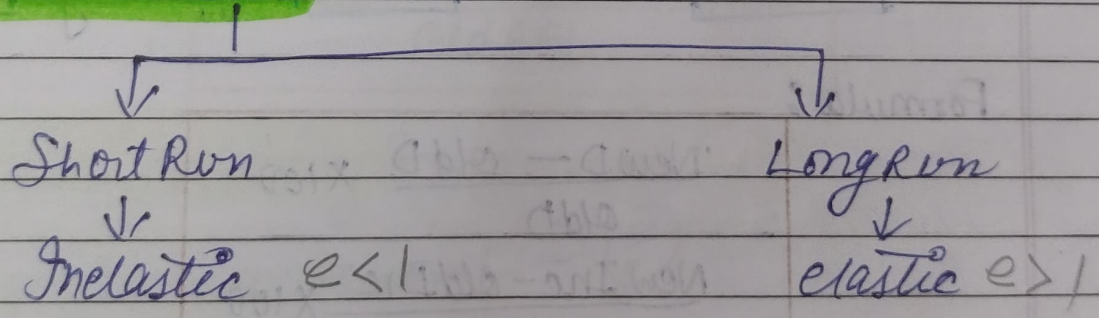
c) **Nature of the Need**



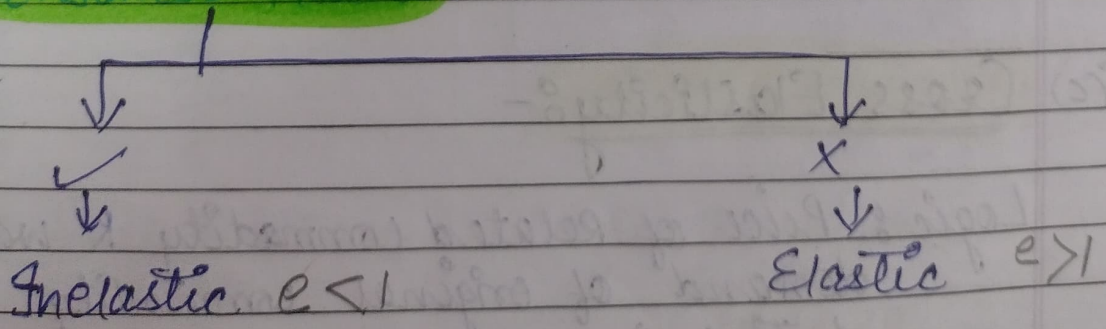
d) **Number of Uses**



e) **Time Period**



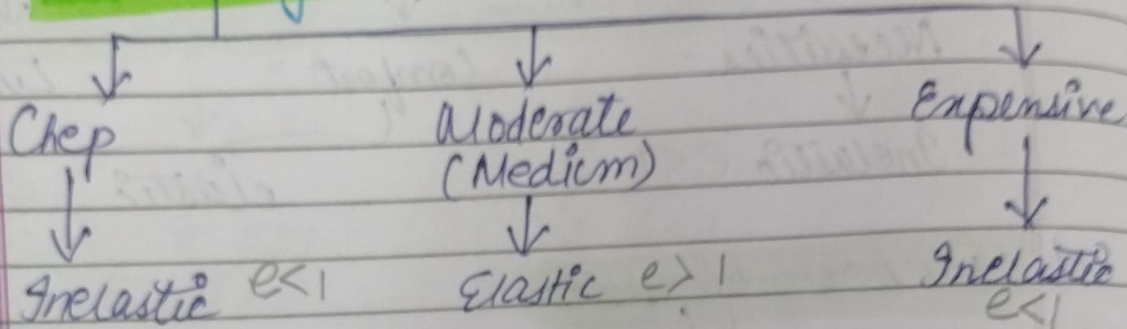
f) **Consumer Habit**



g) **Tied Demand** → inelastic  $e < 1$   
(Complementary Goods)



## h) Price Range



## (b) Income Elasticity:-

Logic: Income k wajah se, demand effect hoti hai.

Income is the Basis affecting demand

Formula:

$$\frac{\text{New D} - \text{old D}}{\text{old D}} \times 100$$


---


$$\frac{\text{New Inc} - \text{old Inc}}{\text{old Inc}} \times 100$$

## (c) Cross Elasticity:-

Logic: Price of Related Commodity k wajah se, demand of original commodity affect hoti hai.

Price of related Commodity is the basis affecting demand of original Commodity



Formula :-

$$\frac{\text{New } D_0 - \text{Old } D_0}{\text{Old } D_0} \times 100$$

$$\frac{\text{New } P_R - \text{Old } P_R}{\text{Old } P_R} \times 100$$

Advertisement Expenditure Elasticity :-

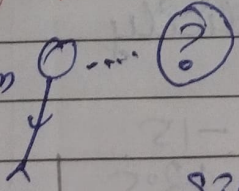
Adverexp is the Basis of affecting demand.

Formula :-

$$\frac{\text{New } D - \text{Old } D}{\text{Old } D} \times 100$$

$$\frac{\text{New } AE - \text{Old } AE}{\text{Old } AE} \times 100$$

Mid Elasticity :- / Arc elasticity

Logic :- ice-cream 

Situation 1

P	Q
10	20
20	5

Situation 2.

P	Q
20	5
10	20

Price change is larger  
Averages of two prices

$$P_e = \frac{\text{New } D - \text{Old } D}{\text{Old } D} \times 100$$

$$\frac{\text{New } P - \text{Old } P}{\text{Old } P} \times 100$$

$$P_e = \frac{\text{New } D - \text{Old } D}{\text{Old } D} \times 100$$

$$\frac{\text{New } P - \text{Old } P}{\text{Old } P} \times 100$$



$$= \frac{5-20}{20} \times 100 = \frac{-15}{20} = -0.75$$

$$\%P = 0.75$$

$$= \frac{20-10}{10} \times 100 = \frac{10}{10} = 1$$

$$\%P = 1$$

$$= \frac{20-5}{5} \times 100 = \frac{15}{5} = 3$$

$$= \frac{10-20}{20} \times 100 = \frac{-10}{20} = -0.5$$

$$= -6$$

$$\%P_c = 6$$

$$\frac{\frac{\text{New } D - \text{old } D}{\text{New } D + \text{old } D} \times 100}{2}$$

$$\frac{\frac{\text{New } P - \text{old } P}{\text{New } P + \text{old } P} \times 100}{2}$$

P	Q
10	20
20	5

Midpoint Elasticity

$$= \frac{5-20}{5+20} = \frac{-15}{25} = -0.6$$

$$= \frac{20-10}{20+10} = \frac{10}{30} = 0.33$$

$$= \frac{-0.6}{0.33} = -1.80$$

$$\% pe = 1.80$$

P	Q
20	5
10	20

Mid Point Elasticity

$$= \frac{20-5}{20+5} = \frac{15}{25} = 0.6$$

$$= \frac{10-20}{10+20} = \frac{-10}{30} = -0.33$$

$$= \frac{0.6}{-0.33} = -1.80$$

$$\% pe = 1.80$$



(F) Point Elasticity:-

Price change is small

When the % ΔP is very small.

Formula:-

$$\frac{\text{NewD} - \text{oldD}}{\text{oldD}} \times 100$$

$$\frac{\text{NewP} - \text{oldP}}{\text{oldP}} \times 100$$

(g) Total Outlay Method :-  
Total Expenditure Method

Alfred Marshall

- Based on analysis of expenditure pattern
- No formula
- No co-efficient / Number

Illustration 1 :-

Situation	P	Q	Total outlay	Elasticity
A (discount)	5	20	100	$e > 1$ Relatively Elastic
	4	30	120	
B	5	20	100	$e = 1$ Unit elastic
	4	25	100	
C M	5	20	100	$e < 1$ Relatively inelastic
	4	22	88	

PA ↑ EA ↑  
P ↓ E ↓

PA ↑ EA ↑  
P ↓ E ↓

PA ↑ EA ↑  
P ↓ E ↓



## Illustration 2:

	Situation	P	Q	Total Outlay	Elasticity
P ↑ E ↑ P ↓ E ↓	A	1	6	6	$e < 1$ Relatively Inelastic
		2	5	10	
P ↑ P ↓ → E same	B	3	4	12	$e = 1$ Unit Elastic
		4	3	12	
P ↑ E ↓ P ↓ E ↑	C	5	2	10	$e > 1$ Relatively elastic
		6	1	6	

## Demand forecasting

Demand forecasting matlab hum andaaza lagate hai future me hamare product ka kya demand hoga jis hum us basis par apna business kar sakte isliye.

### Types of forecast

- ① Macro level forecasting
- ② Industry level
- ③ Firm level
- ④ Short term
- ⑤ Long term

} Yeh type hote hai demand ka andaaza lagane ka, ki future me kya hoga.



### ③ Demand Distinction :-

#### ① Producer's goods and Consumers goods.

• Producer Goods →

Consumer goods

bhi bna sakte

hai or producer

goods bhi bna

sktte hai. help

• jo goods se or/more  
goods bname me

help hoga use

producer goods kotte hai

eg. → Plant & Machinery,  
equipment

• Consumer Goods →

good or goods hai

jo final user

use karta hai

use end user sale

nhi karta.

eg → ready made

cloths, food,

eaten

#### ② Durable goods and non-durable goods

↓  
Lambe Time

tak benefit

mitta hai are

eg → Car, mobile etc

are durable consumer  
goods.

Building, P&M, office  
furniture, are durable  
producer goods.

↓  
ek hi kar

use kar sakte hai

Paper Cup, food

eg → Raw material,

fuel & Power, packing

items are non-durable

producer goods.

Beverages, bread,

milk etc are

non-durable consumer

goods.

are  
Semi-durable goods

are cloths, Umbrella.



③ Derived demand and Autonomous demand

↓  
ek product ki vajah se dusra product ki demand karna

↓  
e.g. Building banane ke liye cement ka demand karna.  
sim & mobile phone <sup>complementary goods</sup> ki demand

↓  
Bina kisi main product ke demand karna net dependent

↓  
dusse goods par depend na hona  
↓  
e.g. drinking water apne maan se kiya gya demand.

④ Industry demand and ~~any~~ company demand

↓  
India ke ~~same~~ same company ~~demand~~ demand karte hai use Industry demand bolte hai  
e.g. → total demand for steel in India

② India called ~~Committee~~ CASR demand. Eco. Lectures fall

↓  
koi ek company demand karegi use company demand bolte hai

e.g. → steel demand by tata Iron Company.

Eco. Lec. By

CA. H.T



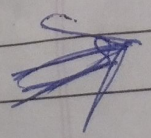
⑤ Short-run demand and Long run demand

↓  
 Kuch time tak demand kar sakte hai / ya hoti ho.  
 e.g. → Lottery ticket, Petrol kuch samay tak kam hoga.  
 within a year

↓  
 Long-run me hum sock vichar ke plan karke demand karke hai  
 e.g. → future me agar land khareedna hoga to hum apna income credit facilities ye sab plan karke karne ke baad hum demand karenge use long run demand bolte hai  
 (Ghar, car, sanglan)

Factor affect demand for non-durable consumer goods:- e.g. - food.

- $\text{Disposal Income} \rightarrow \text{Income} - \text{Income Tax}$   
 $\text{Disposal Income} = \text{Income} - \text{Income Tax}$   
 e.g. → crackers, hotel dinner
- $\text{Price} \rightarrow \text{demand}$  depends upon its own price and the related goods.
- demography → koun use kar raha us hisab se bhi demand affect hoti hai non-durable goods ki





### Factors affecting demand for durable consumer goods

Price / Expense

- kya lena hai (replacement)
- kyu lena hai (special feature)
- kitne log use karta hai
- Current jo product hai usko bhi future में change karengahi
- Price or credit facilities

in sabhi wajah se durable goods ka demand affect hota hai

### Factors affecting the demand for Producer goods.

- Growth of user industry
- Rules of capital goods
- factors of prod<sup>n</sup>, say labour
- Profit making prospectus
- Advanced in technology.

affect the demand for producer goods.

### Methods of Demand forecasting anumaan lagana

- ① **Survey of Buyer's intention** → har ek customer ko puchna or puch ke forecast krna
- (i) **Complete Enumeration Method** → Sabko Puchna.
- (ii) **Sample Survey method** → kisi ek ko puchna chokhe krke or durra customers ko bhi puchna
- (iii) **End Use Method** → apne customer ke customer se puchna or anumaan lagana. inputs or tare



② Collective Opinion Method — sabka opinion leke  
chna. ~~also called~~ →

- Sales force opinion method
- Grass root approach

③ Expert Opinion Method — expert ke opinion  
se demand ko forecast krte hai

④ Statistical Method — scientific, reliable, &  
free from subjectivity.

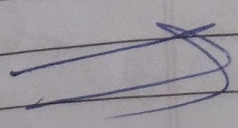
(a) ⑤ Trend Projective Method → data arranged in  
Chronological manner.

⑥ (i) Graphical Method — free hand project method.

(ii) Fitting trend — Past ke data ko analyse  
krke future ke predict krna

⑤ Regression analysis →  
Relationship between quantity demand  
(dependent variable) and independent variable  
such as income, price, price of related goods

⑥ Controlled Experiment →  
Customer se experiment karwate hai fir  
demand forecasting karte hai





## ② Barometric Method of forecasting.

↓  
Economic Indicator [tools]  
e.g. GDP, Stock market,  
national income.

### forecasting ke advantages / Usefulness

- अगर forecasting के plans का संदर्भ है and Plan of Business Managers is depend on forecasting only.
- forecasting helps in planning & decision making. [at level of firm & National level]
- forecasting helps in prod<sup>n</sup> [Mass Prod<sup>n</sup> & Prod<sup>n</sup> in response to demand]
- forecasting also helps in budgetary planning & cost control.
- forecasting helps in
  - efficient prod<sup>n</sup> planning
  - process selection
  - capacity planning
  - facility layout
  - Inventory Management
- forecasting helps in Marketing, Pricing & advertisement of product.
- forecasting → is not

Managemt

Resources in planning के संदर्भ है  
Better utilization के संदर्भ है  
misutilization के संदर्भ है  
material हमेशा है सही रखें और सही रखें  
out off Business के संदर्भ है  
fool-proof and correct