**DYNAMIC BUSINESS ENVIRONMENTS**

**Learning Outcome 1: Activity 4**

**Pairs Activity**

**Elasticity of supply and demand**

In pairs discuss two examples for a) and b) where:

1. The demand for a product or service is (1) Elastic and (2) Inelastic.
2. The supply for a product or service is (1) Elastic and (2) Inelastic.
3. For each example consider the impact on price.