
SUPPLY AND DEMAND IN GAMING

Directions: Read the following scenario with your group. Then, discuss the questions provided. When you are finished, ask your instructor for a copy of the answer guide.

A company releases a new video game console after months of intense promotion. Some customers are so excited that they camp outside electronics stores for days! However, there aren't enough consoles to go around, and many customers go home empty-handed. In fact, some scalpers are able to sell consoles to desperate gamers and parents for as much as three times the original selling price! The game company is trying to increase production as quickly as it can.

1. How does this example illustrate the law of supply and demand?
2. Is this considered a buyer's market or a seller's market?
3. What factors might cause a person not to purchase the game console?
4. What will happen if, in a year, the demand for the game console decreases?