Supply and Demand Concepts

I have recently been hired by a new firm selling electronic dog feeders. My client has asked me to gather some data on the supply and demand for the feeder, which is given below, and address several questions regarding the supply and demand for these feeders.

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| --- | --- | --- |
| **Price/Feeder** | **Quantity Demanded** | **Quantity Supplied** |
| $300  | 500  | 1800  |
| 270  | 600  | 1700  |
| 240  | 700 | 1600  |
| 210  | 800 | 1500  |
| 180  | 1000  | 1400  |
| 150  | 1100  | 1300  |
| 120  | 1200  | 1200  |
| 90  | 1300  | 1100  |
| 60  | 1400  | 1000  |
| 30  | 1500  | 900  |
| 10  | 1600  | 800  |
|  |  |  |

My client has asked that I develop a report addressing the following questions so that you can present these findings to their Board of Directors by Monday am. I am in need of this by Sunday 12/9/2012

Questions:

1. Construct a graph showing supply and demand in the electronic dog feeder market, using Microsoft Excel.
2. How are the laws of supply and demand illustrated in this graph? Explain your answers.
3. What is the equilibrium price and quantity in this market?
4. Assume that the government imposes a price floor of $180 in the feeder market. What would happen in this market?
5. Assume that the price floor is removed and a price ceiling is imposed at $90. What would happen in this market?
6. Now, assume that the price of feeders drops by 50%. How would this change impact the demand for feeders? Explain your answer and reconstruct the graph developed in question one to show this change.
7. Assume that incomes of the consumers in this market increases. What would happen in this market? Explain your answer and reconstruct the graph developed in question one to show this change.
8. Assume that the number of sellers decreases in this market. What would happen in this market? Explain your answer and reconstruct the graph developed in question one to show this change.
9. Explain the difference between a normal good and an inferior good. Would your answers to question 7 change depending on whether this good is a normal or inferior good? Why?

Please provide in excel & MS Word for me to show them