**Examples for Demand Determinants**

Determinant 1: Size of Market/Population

1. If immigration from Asian countries went down, demand for bubble tea would go down
2. If more people go to Shanghai, demand for SLBs will increase

Determinant 2: Income

1. Higher income, demand for starbucks goes up, demand for tim’s goes down
2. Higher income, demand for Tesla would increase as opposed to demand for Prius
3. Higher income, demand for higher end things increase, demand for lower end things decrease

Determinant 3: Price of Related Goods

1. Mac vs Windows 10, substitutes
2. Semi-conductors and electronics – complements
3. Lighters and …. – complements

Determinant 4: Consumer Preferences

1. Hula hoops, and other fads (Yugioh, Beyblades)
2. Corporate marketing (Coca Cola and Santa, Cadbury/Hershey Chocolate and Valentines)
3. Trends (Fashion, electronics)

Determinant 5: Expected and Unexpected Events

1. Income goes up soon, chooses to make purchases now
2. Expect price of a good to fall, decides not to buy
3. Natural or Manmade disasters that are unexpected (Hurricanes, terrorism)