

YouTube Title: "Toyota ford commercial" <http://www.youtube.com/watch?v=FFKQKtriyxY&feature=youtu.be>
Video Length: 0:40 seconds

Chapter 3: Supply and Demand, p. 45

Topic: Demand, p. 48

Key Terms: Demand, shifts in demand, substitute goods

Learning Objective 3: What causes market prices to change.

Economic Application

This SNL mock Ford commercial is a specific attempt to stimulate, or shift to the right, demand for their hybrid automobiles. In this case, significant safety concerns (sudden-acceleration failures) in the Toyota Prius, a substitute good, increases demand for the Ford hybrids.

Multiple-Choice Question

What is the intended impact of the Ford commercial on the market for Ford hybrids?

- a) Ford intends to increase supply for Ford hybrid vehicles.
- b) Ford intends to decrease supply for Ford hybrid vehicles.
- c) Ford intends to increase demand for Ford hybrid vehicles.
- d) Ford intends to decrease demand for Ford hybrid vehicles.

Discussion Question

Describe the market impact of the Ford commercial on Ford hybrid vehicles. Describe the market impact of the Ford commercial on Toyota Prius vehicles.