

Market Day Choices

See how buyers, sellers, and incentives shape a market.

SS.7.E.1 "Understand the fundamental concepts relevant to the development of a market economy."

NAME _____

DATE _____

1 READ AND MARK _____ Read it twice

YOUR JOB Number exactly one sentence in each category: write 1 by the earliest sentence showing a consumer choice, 2 by the earliest sentence showing a seller responding to demand, and 3 by the earliest sentence showing competition affecting sellers.

A Busy Saturday Market

- ① On Saturday, the River Street Market filled the town square. Lina sold reusable water bottles, and Omar sold fruit cups. Shoppers had limited money, so they compared prices, quality, and what they needed most. Some chose a bottle for soccer practice, while others chose fruit for lunch. These choices showed demand, the willingness and ability of consumers to buy a product at a certain price. When many shoppers asked Lina for blue bottles, she noticed a change in demand.
- ② Lina had brought twenty blue bottles, but they sold out before noon. Because customers still wanted them, she planned to bring more blue bottles next week. Her decision was a response to demand and an incentive, a reason to act. She expected that selling more wanted bottles could raise her revenue. Yet Lina also had to consider her costs, including the price she paid the wholesaler and the fee for her market stall. Revenue minus costs determines profit or loss.
- ③ Across the square, Theo began selling similar bottles at a lower price. This competition gave shoppers another option and pushed each seller to think carefully about price and quality. Lina did not know whether lowering her price would help. A lower price might attract more buyers, but it would reduce the money she earned on each bottle. She decided to keep her price and offer free name labels instead. In a market economy, buyers and sellers make choices, and their choices help guide what is produced and sold.

2 ANSWER WITH EVIDENCE _____ Use the passage

1 What made shoppers compare products, and what three factors did they compare?

2 What evidence showed high demand for blue bottles, and how did Lina plan to respond?

3 Name two of Lina's costs. How would she determine whether she had a profit or loss?

4 How did Theo's lower price affect the market, and what choice did Lina make?

3 YOUR TURN _____ Your own words

Write 4 or 5 sentences about a product you could sell at a school event. Show demand, name one cost, describe a competing product, and explain one choice you would make to try to earn a profit or avoid a loss.

PART 1 • READ AND MARK

Number exactly one sentence in each category: write 1 by the earliest sentence showing a consumer choice, 2 by the earliest sentence showing a seller responding to demand, and 3 by the earliest sentence showing competition affecting sellers. Accept any marking that follows this job and points at the right text.

PART 2 • ANSWERS

#	QUESTION	ANSWER
1	What made shoppers compare products, and what three factors did they compare?	Their money was limited. They compared prices, quality, and what they needed most.
2	What evidence showed high demand for blue bottles, and how did Lina plan to respond?	The bottles sold out before noon, and customers still wanted them. Lina planned to bring more blue bottles the next week.
3	Name two of Lina's costs. How would she determine whether she had a profit or loss?	Her costs included the price paid to the wholesaler and the market-stall fee. She would subtract costs from revenue to find profit or loss.
4	How did Theo's lower price affect the market, and what choice did Lina make?	It gave shoppers another option and pushed sellers to consider price and quality. Lina kept her price and offered free name labels.

PART 3 • YOUR TURN (SAMPLE ANSWER)

At the school fair, I plan to sell trail-mix bags for \$2 each. After many students ask for chocolate chips, I will make more bags with chocolate chips because demand is high. My costs include ingredients and paper bags. Another seller offers cookies for \$1, so I will explain that my bags have fruit and nuts instead of lowering my price. If my revenue is greater than my costs, I will earn a profit.

For the marking job, target the sentences about shoppers comparing products, Lina planning to bring more blue bottles, and competition giving shoppers another option. Accept equivalent explanations that correctly connect consumer choices, demand, costs, competition, and profit or loss.