The Smoothie Shift

How competing sellers shape production and access

E.C.3.6 "Explain how competition impacts market production and the allocation of goods and services to consumers."

NAME _____ DATE _____

1 READ AND MARK

Read it twice

YOUR JOB Underline two ways competition changes what the carts make. Circle two details that show how customers' access to smoothies changes.

Two Carts at the Station

1. On a hot Friday, two smoothie carts park near a busy train station. At first, only Zuri's cart sells drinks there. She makes 80 smoothies a day and charges $6 each. When Luis opens a second cart, commuters can compare prices, flavors, and waiting times. Luis offers a $5 mango smoothie, and some customers leave Zuri's line. To win them back, Zuri lowers her price to $5 and starts preparing more mango smoothies before the evening rush. Competition changes what the carts produce because each seller responds to the choices customers make.

2. Even with two carts, not everyone gets the same drink. Both carts have limited fruit, blenders, and time. Luis uses more of his mango supply for smoothies after mango orders rise, so he makes fewer berry drinks. Customers who want berry smoothies may have to wait or choose Zuri's cart instead. A lower price allows some commuters who would not pay $6 to buy a smoothie at $5. Still, a commuter who arrives after both carts close cannot buy one. Prices, available flavors, lines, and hours all affect which consumers receive a drink.

3. Suppose Luis closes his cart for repairs the next week. With fewer alternatives, Zuri may sell most of her drinks even if she stops making as many mango smoothies. She might also raise her price, though customers could bring drinks from home or skip buying one. If she raises it, some price-sensitive commuters will no longer buy from her. When Luis returns, both carts have a reason to watch customer demand again. Competition can expand choices and push sellers to adjust output and prices, but it cannot make fruit or time unlimited, and it does not guarantee every customer a drink.

2 ANSWER WITH EVIDENCE

Use the passage

1. How does Luis's arrival change what Zuri makes, and how might her new price change who buys a smoothie?

2. How do rising mango orders change Luis's production and the choices available to berry customers?

3. Why does having two competing carts not ensure that every commuter can get the drink they want?

4. When Luis closes, how might Zuri change what she makes or charges, and how could that affect customers?

3 YOUR TURN

Your own words

Imagine a second bike repair shop opens near a shop that charges $20 for a tire repair. The new shop charges $15 and offers same-day service. In three sentences, predict how competition might change the first shop's output and which customers receive repairs, and explain one limit on access.

ANSWER KEY # The Smoothie Shift

PART 1 · READ AND MARK

Underline two ways competition changes what the carts make. Circle two details that show how customers' access to smoothies changes. Accept any marking that follows this job and points at the right text.

PART 2 · ANSWERS

#	QUESTION	ANSWER
1	How does Luis's arrival change what Zuri makes, and how might her new price change who buys a smoothie?	**Zuri prepares more mango smoothies and lowers her price to $5. Some commuters who would not pay $6 can now buy one.**
2	How do rising mango orders change Luis's production and the choices available to berry customers?	**Luis makes fewer berry smoothies as he uses more mango. Berry customers may have to wait or try Zuri's cart.**
3	Why does having two competing carts not ensure that every commuter can get the drink they want?	**The carts have limited fruit, blenders, and time. A desired flavor may be unavailable, or both carts may be closed.**
4	When Luis closes, how might Zuri change what she makes or charges, and how could that affect customers?	**Zuri might make fewer mango smoothies or raise her price. Some price-sensitive commuters might then stop buying from her.**

PART 3 · YOUR TURN (SAMPLE ANSWER)

The first shop might schedule more same-day tire repairs and lower its price to $15. Some riders who would not pay $20 could then get a repair. But the shop has limited mechanics, so riders who arrive late might have to wait until the next day.

Accept other plausible predictions about production and access when students explain the link to competition. Predictions need not assume that a seller will lower its price.