

Lunch Truck Choices

Examine how competition changes prices, service, and customer choices.

CE.13.a “examining the effect of competition in the marketplace;”

NAME _____

DATE _____

1 READ AND MARK _____ Read it twice

YOUR JOB Underline each action a truck takes to compete. Circle each result for customers, so you can see how competition changes a marketplace.

Two Trucks on Maple Street

- ① On Maple Street, one lunch truck, Tasty Tacos, served students and office workers. Because it had no nearby rival, the truck charged \$9 for a taco plate. Customers could buy the meal or spend time walking farther away. The owner had little reason to change the menu, speed up the line, or lower the price. Some customers still came because they liked the food, but others skipped lunch or brought food from home on those days.
- ② Then a second truck, Fresh Bowl, began parking nearby. It sold rice bowls, salads, and wraps for \$8. Tasty Tacos noticed that fewer customers joined its line. To keep customers, the owner added a smaller \$6 option, cleaned the ordering window more often, and asked workers to serve faster. Fresh Bowl also had to pay attention to customers. When its soup ran out twice, it began bringing more soup after hearing complaints from regular customers there.
- ③ Competition did not guarantee that every change would help every business. Tasty Tacos earned less money on its smaller plate, and both owners had to plan carefully. Still, customers now had more choices and could compare price, food, and service. Competition pushed each truck to respond when customers chose another option. If either truck raised prices without improving its food or service, customers could choose the other truck or pack lunch at home for themselves.

2 ANSWER WITH EVIDENCE _____ Use the passage

1 How did having no nearby rival affect Tasty Tacos' price and its reason to improve service or the menu?

2 Name two changes Tasty Tacos made after Fresh Bowl began parking nearby. Why did the owner make these changes?

3 What problem did Fresh Bowl have, and how did competition encourage the truck to respond?

4 According to the passage, what could customers do if one truck raised prices without improving its food or service? What effect could this have on that truck?

3 YOUR TURN _____ Your own words

Create a new example with two businesses that sell the same type of product. In exactly three sentences, explain one change each business makes because of competition and one effect on customers.

PART 1 • READ AND MARK

Underline each action a truck takes to compete. Circle each result for customers, so you can see how competition changes a marketplace. Accept any marking that follows this job and points at the right text.

PART 2 • ANSWERS

#	QUESTION	ANSWER
1	How did having no nearby rival affect Tasty Tacos' price and its reason to improve service or the menu?	Tasty Tacos charged \$9 for a taco plate and had little reason to improve the menu, speed up service, or lower its price.
2	Name two changes Tasty Tacos made after Fresh Bowl began parking nearby. Why did the owner make these changes?	Tasty Tacos added a \$6 option, cleaned the ordering window more often, and asked workers to serve faster. The owner made these changes to keep customers.
3	What problem did Fresh Bowl have, and how did competition encourage the truck to respond?	Fresh Bowl ran out of soup twice. After customer complaints, it began bringing more soup so customers would keep choosing it.
4	According to the passage, what could customers do if one truck raised prices without improving its food or service? What effect could this have on that truck?	Customers could choose the other truck or pack lunch at home. The truck could lose customers, so it would need to respond to compete.

PART 3 • YOUR TURN (SAMPLE ANSWER)

After a second bookstore opens nearby, Page Place lowers the price of popular novels. Corner Books stays open later to attract readers. Customers can compare prices and hours, so they have more choices.

Accept any realistic pair of competing businesses, as long as each business makes a competitive change and the response explains an effect on customers. The response should contain exactly three sentences.