

ECONOMICS

Change in Quantity Demanded

The movement along a demand curve caused by a change in the price of a good.

Complements

When a product shares a beneficial relationship with another product offering. In an economic sense, when the price of a good rises, the demand for its complement will fall because consumers don't want to use the complement alone. +

Income Effect

The change in an individual's or economy's income and how that change will impact the quantity demanded of a good or service. The relationship between income and the quantity demanded is a positive one, as income increases, so does the quantity of goods and services demanded.

Inferior Goods

In consumer theory, an inferior good is a good that decreases in demand when consumer income rises.

Law of Diminishing Marginal Utility

A law of economics stating that as a person increases consumption of a product - while keeping consumption of other products constant - there is a decline in the marginal utility that person derives from consuming each additional unit of that product.