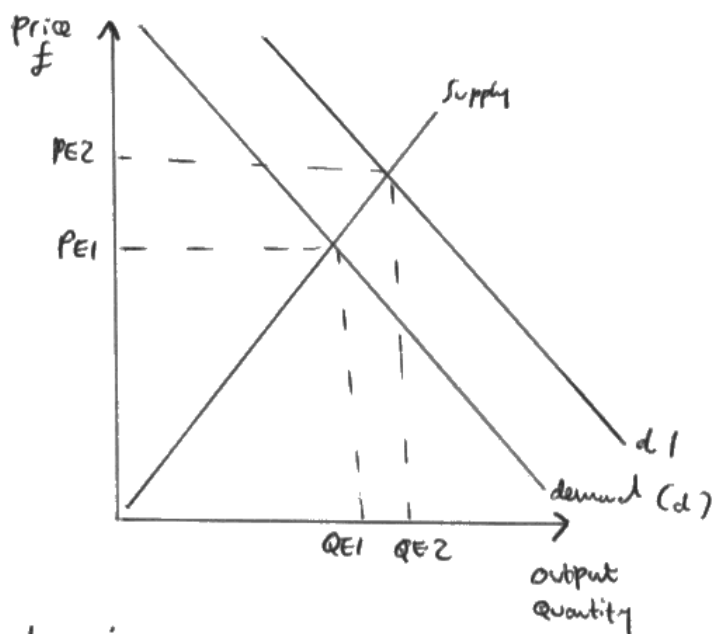


- (c) Using a supply and demand diagram, illustrate the impact on the coffee shop market of the change in taste and fashion. (Extracts A and C)

(4)



Demand increases from d to $d1$ due to an increase in consumer criteria (extract A) and more demand due to a positive change in ~~the~~ taste and fashion. This increases both price charged and quantity consumed from

$PE1 \rightarrow PE2$ and $QE1 \rightarrow QE2$. (change in equilibrium).

