Elasticity is an interactive technical note whose purpose is to enable students to understand the importance of correctly pricing a product, and how this can be one of the key factors in a company’s success. For this analysis different tools are available such as the study of the price elasticity of demand.

The student will work through different cases of price elasticity:

- elasticity = 0
- elasticity < 0
- elasticity > 0
- elasticity = ∞
- elasticity = (+)
The interactive technical note aims to help the student understand the concept of elasticity through interactive graphs. Students can see the existing relationship between changes in the price of a product and the sensitivity, or effect, over sales.
A theoretical introduction accompanies the graphical explanations and allows students to get to grips with the key concepts.