**Managerial economics:**

**Question 1.**Companies often change the colour, packaging, design, and advertisements for their products. Is it because the companies wish to counter the impact of diminishing marginal utility?

**a) Explain with at least 3 suitable examples that you may have witnessed, heard, or read.**

**b) Explain the law of diminishing Marginal Utility.**

**c) In relation to the provided examples mention various reasons why does satisfaction decrease from additional consumed units? (Provide graphs and numerical inferences wherever possible)**

**Question 2.**Any change in product price done by the company will require the company to assess the impact on its quantity demanded. Competitor price changes can also influence the demand for the product of the respondent company. This is because of cross-price elasticity. A change in our income tends to make us less price sensitive.

**a) Explain the concept of Elasticity - own price elasticity, cross-price elasticity, and Income elasticity with help of suitable numerical examples. (Provide graphs and numerical inferences wherever possible)**

**Question 3.**Let’s assume you are planning to buy a new car.

1. **Explain at least 5 demand determinants.**
2. **Which of the demand determinant will have higher weightage and why?**
3. **What will be the various stages of production of a car?**
4. **Mention a latest or recent trend and how it will affect the determinants. (Provide graphs and numerical inferences wherever possible)**

**Question 4.**Assume food delivery firms like Swiggy are making huge profits. Higher profits may attract the entry of new firms into the food delivery industry. Explain what could be the impact of entry on the firms and the industry as a whole. 

**a. The average cost of rendering the delivery service for the existing players before and after the entry of new firms.**

**b. Price/commissions that they will charge from their customers after entry of new firms**

**c. Impact on profitability after entry of new firms**

**d. Breakeven point of Swiggy before the entry of new firms and how it has been impacted after the entry of new firms.**

**(Provide images, graphs and numerical inferences wherever possible)**