ECO 5500 Week 1 Discussion 2

**Fundamental Economic Concepts**

**Pick a recently released good or service. Then, determine the factors that must be evaluated regarding the product’s supply and demand. Analyze how these factors impact the decision to supply the product indicating the significance of each in the decision-making process.**

Recently Blackberry released blackberry Q10, after the release of the blackberry Z10.Which now is pointing to weakening sales of the BlackBerry Z10, but strong initial demand for the limited supply of Q10 Smartphone’s, For the first quarter of fiscal 2014 (ending May 2013), his shipment estimates fall to 2.8 million units from 3.3 million previously. Analylist list like Mr. Michael Walkley has warned that Z10 sales could weaken further in the consumer retail as blackberryQ10faces increase competition at the end from Samsung Galaxy S4 and HTC One. As there is no doubt that this strong boost in demand for q10 will lead to decrease in z10 (Ratner, 2013).

**Using the same product example above, analyzing how the risk tolerance factors play in supplying the good or service and how this should influence management’s decisions.**

Now you can see timing and managerial decision play its role in this event based on the store checked , the blackberry Q10, has been selling extremely well and has sold out in many stores in march, blackberry report fourth-quarter profit of $98 million this surprised analyst because they had widely expecting a loss (Ratner, 2013). The influence is product modification base on customer demand which increase supply, as well help in the competition market but leads to the decrease in demand of the blackberry Z10. We see this today in all technology it’s better not to change the existing product that to introduce a less demand product the introduction of Blackberry Z10, cause Blackberry to loss as they where uneven with the completion of similar design in the market like the iphone5, Samsung galaxy s4, but the introduction of Blackberry Q10 as a better technology than the Z10 help strengthens their market (Ratner, 2013).

Reference

Ratner, J. (2013).BlackBerry sales forecast cut despite strong demand for Q10.financial post.http://business.financialpost.com/2013/05/06/blackberry-estimates-cut-despite-q10-strength-likely-offsetting-z10-weakness/