Teacher Answer Key

Case Study

1. Higher fares reduced rider requests (demand) and drew more drivers (supply), restoring balance.

2. Predictive increases attracted drivers early and tempered rider demand, cutting wait times.

Multiple Choice

1. B

2. A

3. C

Matching

1-B, 2-C, 3-E, 4-A, 5-D

Fill-in-the-Blank

1) surplus, 2) outward, 3) supply

Short Answer (Sample Responses)

Q1: The algorithm raised prices to throttle demand and incentivize drivers, clearing the market.

Q2: Anticipating high demand let the platform adjust fares ahead of time, smoothing peaks.

Q3: A movement along curves responds to price changes; a curve shift results from non-price factors.