Demand Schedule								
Price	2	3	4	5	6	7	8	9
Quantity	9	8	7	6	5	4	3	2
Total Revenue	18	24	28	30	30	28	24	1

P goes from 4 to 5 and Q from 7 to 6

$$\frac{\frac{6-7}{(7+6)/2}}{\frac{5-4}{(4+5)/2}} = \frac{\frac{1}{6.5}}{\frac{1}{4.5}} = \frac{4.5}{6.5} = .69$$

P goes from 5 to 6 and Q from 6 to 5

$$\frac{\frac{5-6}{(6+5)/2}}{\frac{6-5}{(5+6)/2}} = \frac{\frac{1}{5.5}}{\frac{1}{5.5}} = \frac{5.5}{5.5} = 1$$

P goes from 6 to 7 and Q from 5 to 4

$$\frac{\frac{4-5}{(5+4)/2}}{\frac{7-6}{(6+7)/2}} = \frac{\frac{1}{4.5}}{\frac{1}{6.5}} = \frac{6.5}{4.5} = 1.44$$

Note: A down sloping demand curve is yields a negative E_D. Its sign is often ignored.

See Calculating Price Elasticity using calculus and examples

Relative Change in Quantity	Terminology	E_D Parameters
None, will pay anything, numerator is zero.	Perfectly Inelastic	$E_D = 0$
Small	Inelastic	$0 < E_D < 1$
Q demanded and P change same percentage	Unitary Elasticity	$E_D = 1$
Large	Elastic	$1 < E_D < \infty$
Infinitely Large, price doesn't change, denominator is zero	Perfectly Elastic	E_D is undefined, can't divide by zero.

A. Elasticity II provides practice measuring E_D. Samuel L. Baker, Ph.D. US Carolina B. Approx. PED of Various Products (U.S.)

Unit 3 Review High elasticity has substantial effect, inelastic demand has little quantity movement.