



## Product Advertisement Assignment

This assignment requires you to:

- Write one paragraph explaining the economic principles associated with the open market.
- Develop an illustrated advertisement for your product on an 8X11 sheet of paper.

This project is worth a total of 75 points.

Due date: September 29, 2008.

### The Paragraph:

1. Describe the product that you are going to sell. You must develop an original product. This description should be no longer than three sentences.
2. Determine a price for your product. Explain how the interaction between *supply* and *demand* helps to determine the *price* of your product. Include a discussion of *surplus* and *shortage*.
3. Discuss an *opportunity cost* your customers may face.

**ALERT!**

**The opportunity cost in this situation is not your competitor's product!**

4. What is your *competition*?
5. Explain how the situation of scarcity is going to affect both the production and consumption of your product. (Remember that every resource is scarce!)
6. What *incentives* will you offer?

Develop an illustrated advertisement for your product on an 8x11 sheet of paper:

Your illustration must include the following

1. Get your reader's attention:

You can use a very colorful ad or you may isolate your product. You may use color contrasts to grab the reader's attention. If your product is very expensive you may want to provide a lot of text that contains details about your product. *Get your potential customer to want read this advertisement!*

2. Show the advantage of your product:

Remember that the consumer is faced with many choices. You are trying to get the reader to buy your product over the many other products being advertised. Weigh the opportunity cost that the consumer must face if your product is chosen.

*Get your potential customer to want to buy this product!*

3. Create a need for your product:

You must be sure that your product meets an existing consumer need. Or, you must create this need through your advertisement. Remember, consumers have a choice.

*Get your potential customer to need this product!*

4. Persuade reader to buy:

This is the most important element of your project. Your goal is to sell your product. In order to do that, you must take a number of things into account. You must establish who your competitors are. Decide if your product is priced fairly and competitively. You must use incentives. Remember, consumers are faced with many choices. You must make your product the customer's choice over a wide variety of products. You don't want to end up as somebody's opportunity cost!

*Get your potential customer to choose your product over the competition!*

**Your advertisement must reflect that you have considered all of the above.**