



POWELL CENTER FOR
ECONOMIC LITERACY

Lesson Plan

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The Death of the VCR

Time Required

15-20 minutes

Grade Level and Subject

High School; Social Studies

Keystone Principles

Principle #9 – Prices Are Determined By the Market Forces of Supply and Demand

Economic Concepts

Competition

Incentives

Price

Supply and demand

Technological obsolescence

Trade-offs

Overview

Competition for newer and cheaper technologies is speeding up the cycles of supply and demand in the personal electronics arena. Students interact with these technologies daily and would benefit from understanding and analyzing the market forces involved.

Objectives

Students will understand that

1. changes in consumer tastes affect the demand for a product*
2. changes in technology affect the supply of a product.*

Students will be able to briefly explain the market forces that are driving the personal

technology revolution.

Materials and Handouts

Student Handout – The Death of the VCR

Teaching Activity

1. Ask students why they think businesses like Blockbuster have stopped carrying VHS tapes. (*Replaced by DVD's*)
2. Have students fill in the handout “The Death of the VCR.”
3. Ask the students if they think DVD's will become obsolete. How long do they think it will take? What will replace them? If they were the owner of Blockbuster, where would they go with the business?
4. Have the students write a description of the progression of entertainment technology from VCR's to handheld sets.
5. Continue the discussion with the following questions:
 - What happens to the price and demand for new technologies after they are introduced? Does the first iPod sold cost the same as the millionth? Why?
 - Why do you think people continue to pay for the latest technology when what they have is still functional?
 - What are the trade-offs or non-monetary costs to society of a growing number of its members being wired with personal access to information and entertainment 24/7?

* NCEE Voluntary National Standards in Economics Content Standard 8, Grade 12 Benchmarks 1 and 2.

Student Name _____

The Death of the VCR

Describe the features of each of these technologies. Include things like ease of use and storage, recording time, access to material, extra features, etc.

WHAT CAN THEY DO?

VCR	DVD	Various Handheld Sets