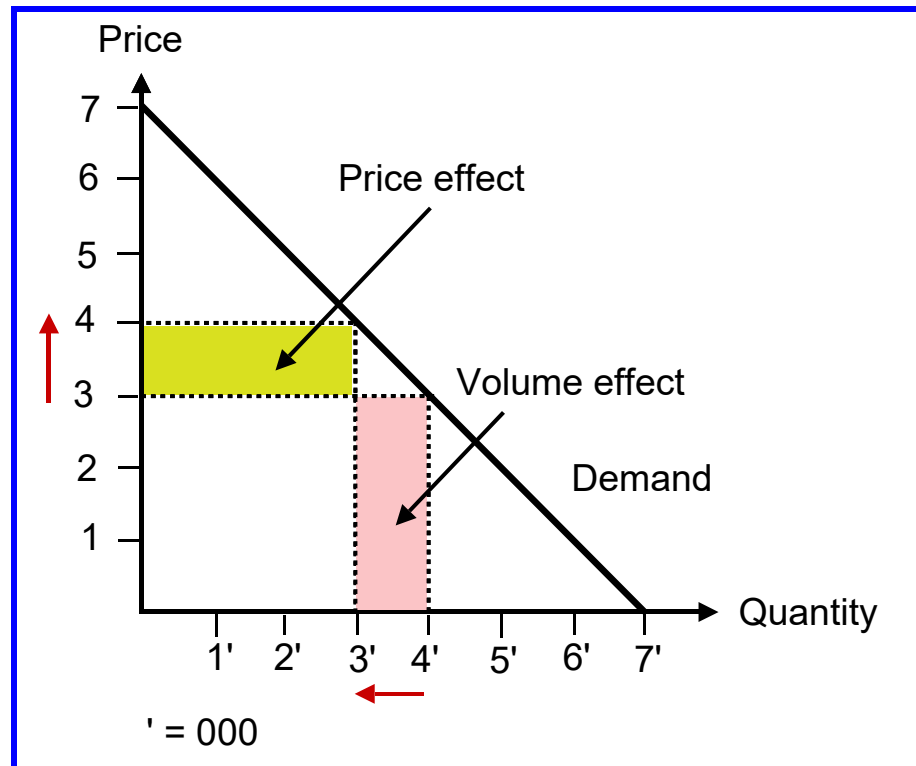


# Price effect and volume effect



Price effect and volume effect in the event of a price increase from 3 to 4:

Total revenue at the price of 3:	3 * 4000	= 12000
Total revenue at the price of 4:	4 * 3000	= 12000
Variation of total revenue		= 0

Breakdown of the result:

Price effect	= 1 * 3000	= + 3000
Volume effect	= 3 * (- 1000)	= - 3000
Variation of total revenue		= 0
(= Price effect and volume effect)		

In general:

Price effect	= (P2 - P1) * Q2	→ (4 - 3) * 3000	= + 3000
Volume effect	= (Q2 - Q1) * P1	→ (3000 - 4000) * 3	= - 3000

P1	old price	Q1	old quantity
P2	new price	Q2	new quantity