

**Changes in Tastes and Preferences** One of the key factors that determine demand is people's tastes and preferences. Tastes and preferences refer to what people like and prefer to choose. When a product becomes a fad, more of the products are demanded and sold at every possible price. The demand curve then shifts to the right, as shown in the graph on the right. In the early 1990s, when Beanie Babies became a fad, the demand curve shifted from D1 to D2. As the popularity of this product died down, its demand curve then shifted back to the left.

