

## **ELASTICITY OF DEMAND IN STRUCTURAL AND CIVIL ENGINEERING SERVICES: RISK, QUALITY AND FIRM COMPETITIVENESS**

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### **ABSTRACT**

This paper investigates the concept of price elasticity of demand within structural and civil engineering firms, emphasizing the interplay between risk factors and the necessity for firms to demonstrate superior quality and competence. By integrating a qualitative data analysis with a comprehensive literature review, the study provides a nuanced understanding of how price changes impact the demand for engineering services. The research highlights the unique aspects of the engineering sector where price sensitivity is modulated by risk factors and the critical need for high-quality services. The analysis includes a detailed exploration of both elastic and inelastic demand scenarios in the engineering services market, illustrating how firms can strategically manage pricing to optimize revenue while maintaining client satisfaction and trust. The findings underscore the importance of a firm's ability to align its pricing strategies with robust demonstrations of competence and reliability in a competitive landscape, ultimately influencing its market success.

**Keywords:** Elastic, inelastic, economics, business strategy, business economics.