

Caterpillar excavator model 324e research paper examples

[Business](#), [Company](#)



An excavator comes in a wide range of sizes and capacities, and it is used on construction sites to excavate or move large objects. This heavy-duty construction machine is made up of three parts (refer to figure 1), the first of which is a driving base which consists of two sets of tracks attached to each side of the machine. The second is an operator's cabin with a set of controls for movement and operation. Lastly, a powerful boom arm with an attachment (e. g. bucket) designed for digging, or lifting and moving objects.

The excavator 324 Model from Caterpillar is a new model with improved versatility. One of the improvements is that it is designed to navigate tight places where the ability to control the instrument is critical. In addition, the 324 E model has more horsepower and operator station enhancement that keep the operator working productively.

According to the article, Caterpillar Excavator Model 324E, CAT has created following because the company's ability to read the market and provide exactly what the market wants. Many people ponder how the 324E has dominated the construction industry to the point where its prices do not stop the consumers from purchasing its products. There are many reasons that provide possible explanations for this phenomenon.

The cross elasticity of demand is intended to measure the reaction of quantity of a particular product that is demanded as a result of the price change. For example, if one good is a substitute of the other, then cross elasticity of demand would witness the decrease of the price for the original product. However, if the goods are compliments, then the price of one the good would cause the price of the other goods to fall.

The price range for the Excavator ranges from about \$150, 000 to \$300, 0000 depending on the state and the place bought. The machine is mostly used in the construction industry for the construction of roads, high -rise buildings, bridges, and other heavy duty construction processes that includes excavation.

The cross elasticity of demand for cultivators depends on the construction industry. If the construction industry is doing well, this means that there will be an increase in the demand of excavators for doing business. One can make a case of complimentary association between the two industries.

Perhaps one reason that explains that is the worth of the equipment and how often it is used. If it was a car, the cross elasticity of demand would be different.

Schiller (2009) writes, “ The essence of the market power is the ability to alter the price of the product” (p. 147). This is possible if the firm in question is able to produce a commodity at a cheaper price that no other producer can. In a monopoly, “ the monopolistic firm owns the ballpark and can set the rules of the game” (Schiller, 2009, p. 149). In monopoly, the firm (monopolistic firm) sets the market price. Here lies the reason why regardless of its price, Caterpillar Excavator model 324E will continue to be the king of the engineering world for now.

Work cited

CAT. " Caterpillar Excavator Model 324E." Hydraulic 324E. N. p., 2012. Web. 11 Nov. 2013.

NA. " Cross Elasticity of Demand." Boundless. Educators, 2013. Web. 12 Nov. 2013.

<https://assignbuster.com/caterpillar-excavator-model-324e-research-paper-examples/>

Schiller, Bradley. Essentials of Economics. New York: McGraw-Hill Irwin, 2009

Worksafe Victoria. (2008, September). Compliance code: Workplace

Amenities and Work Environment (Publication No. Edition No. 1). Melbourne,

Australia: Occupational Health and Safety Act 2004 (the OHS Act).