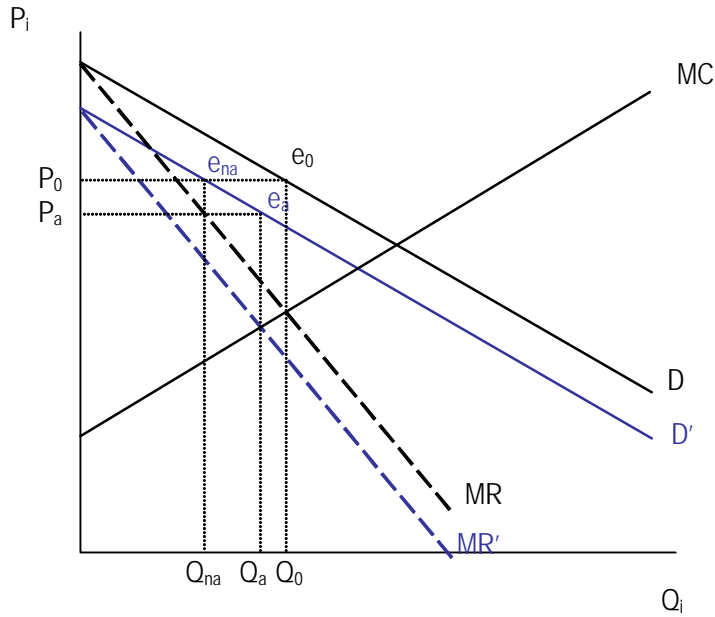Effects of decline in AD if other firms don't $\Delta P$. Shift in demand is small; MC doesn't change. Lost profit is small triangle bounded by MR', MC, and $Q_{na}$.



Effects of decline in AD if other firms do $\Delta P$. Shift in demand is large; MC shifts down. Lost profit is large triangle bounded by MR', MC', and $Q_{na}$.