

Lesson 2

UNIT PRICING & COMPARISON SHOPPING

The Price is Right

OVERVIEW:

Being a smart shopper can save you money. And being a smart shopper not only means comparing prices, but comparing unit prices. Products are sold in various sizes, such as 10 ounces and 20 ounces, and include a cost per unit. The **cost per unit** or **per unit price** is determined by dividing the product's price by the number of ounces contained in the product. For example, a 20 ounce bottle of soda that sells for \$3.00 costs \$.15 per ounce ($\$3.00/20 \text{ ounces} = \$.15 \text{ per ounce}$).

To determine the product or brand that is the best value, smart shoppers often compare the unit cost of different brands of the same product. In addition, smart shoppers compare sizes or quantities. For example, the price of the larger size of a product is more expensive than a smaller size, but the cost per unit of the larger size is often lower — less expensive — than the smaller version. Therefore, smart shoppers may buy large quantities or bulk sizes of a product because the cost per unit or cost per ounce is less than that of the same but smaller size product. Note, however, that in some instances, the smaller size may be more beneficial or economical to the shopper due to space constraints in storing the product. Also, many products have both name brand and generic brands, with the generic product usually costing significantly less. It is the consumer's choice as to whether they want the more expensive name brand or lower price generic brand. In most instances, the quality is very similar.

ACTIVITY:

Visit your favorite grocery store and determine the unit price or cost per unit using the Comparison Shopping Worksheet.

Part A

For the items listed, compare the same size product of two different brands. For each, calculate the cost per unit and circle the brand with the lower cost per unit.

Part B

For the items listed, select a brand and compare the cost per unit of two different sizes for each. Circle the size — large or small — with the lower cost per unit.

COMPARISON SHOPPING WORKSHEET

Part A: Comparing Different Brands

Item	Size (ounces)	Brand A	Price	Unit Price	Brand B	Price	Unit Price
Peanut Butter							
Window Cleaner							
Laundry Detergent							
Potato Chips							
Toothpaste							
Maple Syrup							
Cereal							
Soda							
Milk							
Orange Juice							

Part B: Comparing Different Sizes of the Same Brand

Item	Brand Name	Small Size (ounces)	Price	Unit Price	Large Size (ounces)	Price	Unit Price
Peanut Butter							
Window Cleaner							
Laundry Detergent							
Potato Chips							
Toothpaste							
Maple Syrup							
Cereal							
Soda							
Milk							
Orange Juice							