

Below is a loosely edited article published by others – see sources.

**UNIT PRICING** is a way to compare the actual costs of brands and grocery items in different sizes.



In many states, prices posted on most grocery store shelves include two prices. The bigger, bolder number is the item’s price — the amount you pay at the cash register.

But this number in a smaller print on the side is **the unit price**.

The unit price is the amount you’re paying for each “unit” – of the item.... whether measured in pounds, ounces, quarts, or gallons. The unit price will help you decide between brands and sizes if cost is a concern.

Different items are measured in different units... for example, crackers are measured by the ounce, fresh meat and poultry are calculated by the pound, and milk and most beverages are measured by the pint, quart, or gallon.

## Unit Price Tag Comparison

A.



B.



6 OZ LOWFAT YOGURT	
Unit Price	You Pay
<b>\$0.12</b>	<b>\$0.72</b>
Per oz	

32 OZ LOWFAT YOGURT	
Unit Price	You Pay
<b>\$0.05</b>	<b>\$1.62</b>
Per oz	

1,024 x 57

So, which is the better deal? The Yoghurt for \$0.72 or the Yoghurt for \$1.62? They both have identical products inside.

Let’s see if Unit Pricing helps.

## MONEY 101 EDUCATION

### 10.11a Understanding Unit Pricing and “Deals”

The small container costs twelve cents per ounce; the big container costs five cents per ounce. Thus, the larger container is the better buy.

Many people believe that larger sizes are **always** the best buy. That is generally the case, but not always; make it a habit to compare the unit prices, and you will be surprised to see that sometimes larger costs more.

However, if you buy a larger size and some items go to waste, you are probably just throwing money away. If your family isn't going to consume THIS much Yoghurt by the expiration date, it might be more sensible to spend a few pennies more per ounce on a smaller jar.

When you reach the register, ensure your items and coupons are tallied correctly. If you see an error, step to the side and check the receipt while the clerk begins the following order. If you do find an overcharge or other problem, go to the service desk and have it corrected. Some stores have a policy that if an item rings up at a different price than stated on the shelf, they give you the product for free. Speak up when you see errors.

## TEACH YOUR CHILDREN

### HOW TO CALCULATE UNIT PRICING

**1. Check the item's total price.** Look at the price tag or use a scanning tool to determine the product's price.

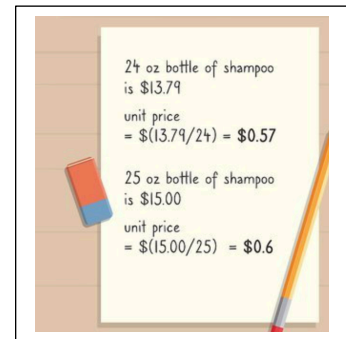
**2. Find the quantity of the item that the package contains.** Look on the label to check the amount of product in the container. The quantity is usually listed on the bottom right corner of the package.

Some products are sold by the item, i.e., one per package, two per package, etc. However, most items will have a unit of measurement, like ounces, cups, quarts, gallons, milliliters, liters, etc., and it should be printed on the package.

**3. When comparing two products, ensure both have the same measurement unit.** Sometimes, the products you compare measure their quantity using different units, such as quarts versus gallons or ounces versus grams. If this is the case, change the unit of measurement for one of the products to match the other before calculating the unit rate.

**4. Divide the total price by the quantity to get the unit price.** Use your calculator to find the unit price.

Below are some challenges – which is the better buy?



## MONEY 101 EDUCATION

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#### **CHALLENGE #1**

- A can of soup for \$ 1.25, which is 16 oz.
- A can of soup for \$ 1.80, which is 24 oz.

#### **CHALLENGE #2**

- Toilet Paper – for \$ 9.99 package of 12 rolls
- Toilet Paper: Buy one package with six rolls at \$6.99 and get another of the same size on sale at half price.

#### **CHALLENGE #3**

When you purchase gas and pay cash, it costs \$3.24 per gallon, or if you use your credit card, it costs \$ 3.29 per gallon.

However, when you use your credit card, you earn points and know that each \$ 1 spent can be redeemed for 1 cent of value. Are you better off using cash or your credit card?

SEE ANSWER SHEET 10.11b

Source:

<https://portal.ct.gov/DCP/Common-Elements/Publications/Saving-Money-with-Unit-Pricing#>

<https://www.wikihow.com/Calculate-and-Compare-Unit-Prices-at-the-Store>