



Best Buys and Unit Pricing



Jenna Anding*

Making thrifty buys at the grocery store is as easy as learning a few shopping skills and making thoughtful decisions. Before buying an item, consider price, convenience, nutritional value, the ability to store the product and family tastes. And remember, the price of an item is not always the best way to tell if a product is a thrifty buy. You can use unit prices to identify foods and other products that are the most economical for your budget.

What is a unit price?

A unit price is the cost of an item based on a specific “unit” or standard amount such as pound, ounce, quantity per container, or square foot.

Why should I use unit pricing?

Unit pricing helps you compare the costs of different brands and different sizes of similar items to help you decide which is the most economical.

Where can I find the unit price of an item?

Most grocery stores provide unit prices as a part of customer service. In some states, it is required by law. The unit price is usually found on a special shelf tag below the product. For some products, like meat, the unit price is found on the product itself. Here is an example of a unit price tag.

UNIT PRICE	YOU PAY
18.2¢ per ounce	\$2.91

If it is not available, the unit price of an item can be determined with some simple math. For example, a 16-ounce carton of Brand Z yogurt costs \$1.54. An 8-ounce carton of Brand X yogurt costs \$0.89. Which is the more economical buy?

Brand Z — 16 ounces

$\$1.54 \div 16 \text{ ounces} = 10¢ \text{ per ounce}$



Brand X — 8 ounces

$\$0.89 \div 8 \text{ ounces} = 11¢ \text{ per ounce}$



Brand Z is the better buy because it costs less per unit (or per ounce) than Brand X. When the unit price is the same for two items, pick the item that is best for your needs.

Remember, for unit pricing to work, you must compare similar items. A carton of orange juice, a can of ready-to-serve orange juice, and a can of ready-to-serve orange drink are similar items. On the other hand, a can of ready-to-serve orange drink and a can of frozen orange juice concentrate are not similar items because you have to add water to the frozen juice concentrate.

You also must compare items with the same type of unit (ounce, pound or square foot) to decide which item is the most economical buy.

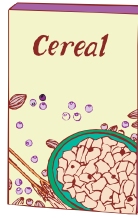
Does unit price give information about product quality?

No. Unit pricing only helps you decide which product is the most economical buy. Unit pricing does not give any information about nutritional value, quality or convenience.

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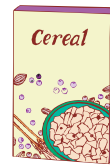
Which of these two products is the most economical?

Brand A — 15-ounce box



UNIT PRICE	YOU PAY
17¢ per ounce	\$2.55

Brand B — 9-ounce box



UNIT PRICE	YOU PAY
19¢ per ounce	\$1.71

If you picked Brand A, you are right! If you picked Brand B, look at the unit price. The unit price (price per ounce) of Brand B corn flakes is higher than Brand A corn flakes.

Conclusion

Let unit pricing help stretch your food dollars with economical buys. But, don't forget to think about quality, nutrition, convenience, your ability to store the item and family tastes. A thrifty food buy is useless if your family won't eat it or if the food spoils before it can be eaten.

Reference

Unit Pricing. Food Marketing Institute. 800 Connecticut Ave., NW, Washington, DC 20006.

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