

Comparison Shopping: Opportunity Cost and Trade-off Thinking

SUBJECT(S): Personal Finance

GRADE LEVEL(S): 9, 10, 11, 12

≡ NBEA STANDARD(S):

- Personal Finance, III. Managing Finances and Budgeting
- Personal Finance, V. Buying Goods and Services

≡ RELATED ARTICLES:

- [“Zara’s ‘Fast Fashion’ Business Model”](#)
- [“Why Forever 21 Filed for Bankruptcy”](#)
- [“March Toy Story: Bankruptcy, Barbies and Brand Narrative”](#)
- [“Is High School Killing Your Creativity? Rajat Bhageria Has a Remedy for That”](#)
- [“Exploring the Economics of Everyday Life”](#)
- [“Educator Toolkit: Spending and Budgeting”](#)
- [“Economic Partnership: Coffee Beans, Moroccan Rugs and the Future of Fair Trade”](#)
- [“Challenging the S’mores Legacy with a Campfire Innovation”](#)
- [“Are We Sinking into an Economic Recession?”](#)
- [“A Look at Amazon, Walmart and How Your Shopping Experience Is Changing”](#)
- [“6 Grim Realities Facing Today’s Retail Stores”](#)

TOPIC/COMPETENCY: Spending and Saving

CEE National Standard:

II Buying Goods and Services, Standard 3 [Grade 8]

Jump\$tart National Standard:

Planning and Money Management, Standard 4

LESSON TITLE: Opportunity cost / trade off thinking; Comparison shopping

ESTIMATED TIME: 50 minutes

MATERIALS NEEDED: Internet access, computer, mobile device

KEY VOCABULARY/TERMS: [comparison shopping](#), [opportunity cost](#), [trade-off](#), [scarcity](#), [cost/benefit analysis](#), [consumer choice](#)

WHY THIS MATTERS TO YOU NOW: Why pay more than you have to? Learn how to compare prices, product options, and figure out what the best purchase would be for you!

Motivational activity –

Facilitate a classroom discussion with students to learn about how they make purchases. To prompt students, ask specifically about the following examples.

- Do you research a large purchase before completing the purchase? How?
- Do you compare prices from various retailers? How?
- Do you make concessions on quality, time, or features for a lower price or another option?

Comprehension –

Show students the following video from Knowledge@Wharton that explains opportunity cost: <https://globalyouth.wharton.upenn.edu/glossary/opportunity-cost>. State that when a consumer makes a decision for one item/service over another, there is something lost for the item/service not selected. This could be a loss of money, time, convenience, or something else that could be important to you. This is what happens each time you make a purchase; you get something, but you also give something up. There are ways to help you make the best decisions as a consumer to make the most of your money, using various tools and by comparison shopping.

Practice –

Give students time to examine various tools that can help them compare prices of various products. Students may select from websites or phone apps. The following examples can be accessed during class for evaluation:

- RedLaser ([com](#)) – to compare brand products using barcodes with a QR reader
- Kayak ([com](#)) – to compare the costs of hotels, flights, and rental cars from competing companies
- Trivago ([com](#)) – to compare costs of hotels from 200+ booking sites
- Pricegrabber ([com](#)) – to compare brand products
- ShopSavvy ([com](#)) – be alerted when the product you want goes on sale
- Smoopaa ([com](#)) – be alerted when the product you want goes on sale

Apply / Assessment –

After students have evaluated various tools to assess prices, have them plan a vacation using Kayak, Trivago, or any other comparison travel site/app to select airfare, hotel, and a rental car. Select a specific date range for all students to use. You may give them a budget, or a specific destination as well. Have students explain why they selected the arrangements they selected, specifically noting and explaining opportunity cost. For example, was a financial concession made to get a non-stop flight, or was a time concession made to get a cheaper flight that may have multiple layovers?

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