BUS-121 Fall 2024	Consumerism and Consumer	Name: ________________
Instr: F. Paiano	Purchasing Strategies	Chapter 6 **Assignment**

Chapter 6 Assignment: *The Cost of Convenience* Project (5 points)

Using *The Cost of Convenience* slide (slide 32) in the chapter 6 presentation as your guide, create a table with at least six entries. The first entry will be the cost of the food item in its raw, unprocessed state for 5 ounces since five ounces is a typical serving size of food. Easier choices include sugar, rice, beans, oats, corn, and wheat, the staple food ingredients. Although it is possible to choose other food items, items that would be harder to research and calculate include dairy products, meats, and most fruits and vegetables. The next five or more entries in the table will be examples of the food item in processed products where the food item is the main ingredient in the product.

Example: If you choose rice, then plain unprocessed, uncooked rice would be your first entry. Find the price for a ten-pound (or bigger) bag of uncooked rice. You would then research rice-based foods such as Rice Krispies, Rice Chex, and other rice-based cereals, rice cakes, rice noodles, rice pasta, rice milk, rice pudding, etc.

In order to correctly compare products, you must calculate the cost of each item for 5 ounces. The formula is: **Food_Price * 5 / Number_of_Ounces**. For example, if the cost of the item is $2.59 and the package weighs 10 ounces, you would *multiply* the $2.59 food price *times* 5 and then *divide* by 10 ounces. The result is $1.295 for 5 ounces. You could report either the exact $1.295 or round the number to the nearest cent which would be $1.30. If the item is weighed in pounds, multiply the pounds by 16 ounces per pound. (Great system, huh?) Feel free to use metric if you so desire. Five ounces is approximately 140 grams.

Hint: A spreadsheet makes the calculations much easier. (You are already a whiz at spreadsheets from doing your cash flow statement, net worth statement, and check registers, right?)

Bonus point: Sort your results by cost and create a bar/column graph of your data. (*Snazzy! See example on class website.*)

Due: Saturday, October 19th

Recommended: Review your cash flow statement. Is it realistic? Remember that it will take a few months for the average household to "fine tune" their expenses. What have you forgotten? If you have one or more motor vehicles, pay special attention to how much your motor vehicle or vehicles are costing you. It is often far more than you think.