



Unit Pricing: Is Bigger Always Better?

Our grocery stores are filled with an array of products, and wise shoppers know how to find the healthier and more budget-friendly ones by reading ingredient lists and nutrition facts panels, and considering the unit pricing for each item.

The ingredient list and nutrition facts panel provide the nutritional value of the product, while the unit price reveals the real cost of the item. It tells you the cost per pound, quart, or other unit of weight or volume for that product.

The benefit of understanding unit pricing is that you can quickly compare one brand to another; the pricing for different forms of a food (fresh, frozen or canned), as well as different sizes of the same brand (12 ounces versus 24 ounces for example).

Depending on the state you live in, your store may or may not include price per unit on their shelves, so it pays (literally!) to know how to do the simple math. (Having a calculator on hand is always helpful.)

To find the unit cost, you first need to look at the overall price for each item. For example, one brand of spaghetti sauce is \$2.65 for 45 ounces. A second brand is \$4.88 for 67 ounces. As you see, there are two different prices and two different quantities.

So to determine which is the better value we need to divide the price by the number of overall ounces. In our first example, divide \$2.65 by 45 ounces, which results in a unit price of 6 cents per ounce. Now, for our second example, divide \$4.88 by 67 ounces. The result is 7 cents per ounce. Based on the unit price alone, the better value is the smaller 45 ounce jar.



The unit price tells you the cost per pound, quart, or other unit of weight or volume for that product.

Brand 1	Brand 2
\$2.65 for 45 ounces	\$4.88 for 67 ounces
divide \$2.65 by 45 ounces	divide \$4.88 by 67 ounces
6 cents per ounce	7 cents per ounce

One final step: Once you've decided on the best deal financially, don't forget to consider the nutritional value, by comparing the ingredient lists and nutrition facts panels of your two choices. If you have to pay a little more but the product is a lot healthier, it may be a better value for your health.

The bottom line: bigger isn't always better, and knowing how to calculate the unit price – and compare nutritional value – will ensure you're getting the best value overall for your money and your health.