



International Center  
for Leadership  
in Education



Gold Seal:

Copernicus Education Gateway

<b>Author(s):</b> James S. Capellupo, Jr.			<b>Lesson Title:</b> Supermarket Competitive Pricing			
<b>Grade Span</b>			<b>ICLE Application Model</b>			
K-4	5-8	9-12 xx	A	B	C	D xx

**Instructional Focus:**

**Problem Solving and Mathematical Reasoning:** Students apply a variety of problem-solving strategies to investigate and solve problems from across the curriculum as well as from practical applications.

**Speaking:** Students speak for a variety of purposes and audiences with sophistication and complexity appropriate to the grade level.

**Performance Task**

Mr. Wegmano is the manager of a local supermarket and you are one of his employees. Your task is to competitively price ten products that are found in his store. Each product, which is an actual product sold in supermarkets, needs to be priced to cover the cost of the product itself, expenses, and desired profit. It is important to keep in mind what other competitors are selling this same product for. In order to compare competitor's prices, students will use the Internet. The goal of the lesson is for the students to come closest to what the actual price is. The students will be paired off and at the end of the period they will present their price and the reasoning behind their pricing.

Note to the teacher: You will have to go to a local super market and locate non-sale items. The local supermarket I visited uses the following equation for their pricing: 60% of the price is the cost of the good, 39% is other expenses and 1% is profit. For example, a box of Kellogg's Raisin Bran is \$3.00, therefore you would tell the students that it costs the store \$1.80 to purchase the cereal, \$1.17 in expenses and they have to determine how much the mark-up should be. Another hint is to make it a competition because the students really get into the activity when they are competing against their classmates.

**ICLE Essential Skills**

Gather information from a variety of sources, including electronic sources and summarize, analyze and evaluate its use for a report. (ela 3)

Present information in well-organized fashion that will be clear to the target audience (ela 11)

**Scoring Guide:**

**4 points:** The students effectively analyze competitor's prices via the Internet. Their final analysis is within \$0.05 of the actual price. Students use class time productively. They work well as a team and present the information in a well-organized fashion.

**3 points:** The students analyze competitor's prices via the Internet. Their final analysis is within \$0.10 of the actual price. Students use class time in a relatively productive manner. They work adequately as a team and they present the information in a relatively organized fashion.

**2 points:** The students attempt to analyze competitor's prices via the Internet. Their final analysis is within \$0.15 of the actual price. Students do not use class time in a productive manner. They have trouble working as a team and their information is not presented in an organized fashion.

**1 point:** The students do not analyze competitor's prices via the Internet. Their final analysis is more than \$0.15 away from actual price. Students do not use class time to work. They do not work as a team and they fail to present the information to the class.

**Keywords**

<b>English Language Arts</b>	<b>Mathematics</b>	
<b>Reading</b>	<b>Algebra</b>	
<b>Writing</b>		
<b>Communications</b>		
<b>Other</b> <ul style="list-style-type: none"><li>• 4 P's</li><li>• Products</li><li>• Pricing</li><li>• Internet</li><li>• Analyzing Prices</li><li>• Competition</li><li>• Fixed Costs</li><li>• Expenses</li><li>• Profits</li></ul>		
	<b>Other Basic Mathematics</b>	