Shop Smartly: Key Terms

Coupon: a piece of paper or online code that offers a good or service at a reduced price

Impulse purchase: buying something in the moment you hadn't planned to

Marginal utility: how much satisfaction you'll gain from getting an additional unit of something

Needs: necessary for you to live and function

Price negotiation: a strategic discussion with the goal of securing a lower price for an item than what it's originally listed for

Sale: when a store offers something at a reduced price for a limited time

Sales tax: an involuntary fee on the purchase of goods and services

Shopping secondhand: purchasing goods that have been previously owned

Total utility: how much satisfaction you gain from something during a set time period

Utility: the total satisfaction you receive from something

Utility theory: Consumers will choose to purchase and consume a combination of goods that will maximize their total utility.

Wants: goods and services you can live without but would improve your quality of life

Warranty: a guarantee of quality that a shopper can reasonably expect from a seller