

Consumer Strategy Worksheets

Develop specific strategies for maximizing value in each market structure

1 Perfect Competition Strategy

Characteristics: Many sellers, identical products, low prices, no negotiating needed

Your Strategy:

1. **Shop by price alone** - Products are identical, so pay the lowest price
2. **Do not pay for branding** - Generic = brand name (e.g., ibuprofen vs. Advil)
3. **Use price comparison tools** - Apps like GasBuddy, online shopping comparisons

Purchase	Perfectly Competitive?	Your Strategy
Gasoline	Yes (locally)	Use app to find cheapest station within 2 miles
Generic medication	Yes	Buy store brand, not name brand
<input type="text" value="Your example"/>	<input type="text" value="Yes/No"/>	<input type="text" value="Your strategy"/>

Your Action Plan

One perfectly competitive purchase I'll change strategy on:

e.g., Gasoline, generic medications

How I'll save:

e.g., Use GasBuddy app, buy store brand

Expected monthly savings: \$

0.00

2 Monopolistic Competition Strategy

Characteristics: Many sellers, differentiated products, some pricing power

Your Strategy:

1. **Decide what YOU value** - Brand? Quality? Convenience? Pay for what matters to YOU
2. **Ignore marketing hype** - Ads create perceived differentiation that may not exist
3. **Try alternatives regularly** - Your "favorite" may be habit, not preference
4. **Negotiate when possible** - Gyms, salons, service providers often negotiate
5. **Shop sales but avoid false urgency** - "One-day only" sales repeat monthly

Purchase	Differentiation	What I Actually Value	Am I Overpaying?
Coffee shop	Brand, location	Caffeine + workspace	Maybe - try local cafe
Your purchase	Features	What you value	Yes/No/Maybe

Your Action Plan

Purchase where I'm paying for differentiation I don't need:

e.g., Premium coffee, brand-name clothing

Alternative I'll try:

e.g., Local cafe, outlet store

Expected monthly savings: \$

0.00

3 Oligopoly Strategy

Characteristics: Few sellers (3-10), high barriers, prices similar across firms

Your Strategy:

1. **Compare ALL major players** - Only 3-5 options, so compare them all thoroughly
2. **Negotiate at contract renewal** - Firms fight to keep you
3. **Bundle when beneficial** - But don't add unnecessary services
4. **Watch for price coordination** - All firms raising prices may signal collusion
5. **Time purchases for competitive periods** - Back-to-school, holiday promotions

Your Negotiation Script:

"Hi, I've been a customer for [X years], but I'm seeing [Competitor] offers [specific plan] for \$[Y] less per month. I'd prefer to stay with you - what can you offer to match or beat that?"

Oligopoly Service	Current Provider	Competitor Offers	Negotiation Result
Cell phone ({{STATE_NAME}})	<input type="text" value="Your provider"/>	<input type="text" value="Check other carriers"/>	<input type="text" value="Result"/>
Car insurance	<input type="text" value="Your provider"/>	<input type="text" value="Get 3+ quotes"/>	<input type="text" value="Result"/>
Internet	<input type="text" value="Your provider"/>	<input type="text" value="Limited options?"/>	<input type="text" value="Result"/>

Your Action Plan

Oligopoly service I'll negotiate:

e.g., Cell phone, car insurance, internet

Competitor offer I'll use as leverage:

e.g., T-Mobile \$50/month unlimited

Target monthly savings: \$

0.00

4 Monopoly Strategy

Characteristics: One seller, no substitutes, maximum pricing power

Your Strategy:

1. **Minimize consumption** - You can't change the price, but you can buy less
2. **Understand rate structures** - Tiered pricing means avoid high-cost tiers
3. **Look for long-term substitutes** - Cable to streaming, electricity to solar
4. **Advocate for regulation** - Attend public utility commission hearings
5. **Bundle if offered** - Sometimes get discount for water + sewer, etc.

Monopoly Service	Current Cost	Consumption Reduction Strategy	Estimated Savings
Electricity ({{STATE_UTILITY_PROVIDERS}})	<input type="text" value="\$ /month"/>	<input type="text" value="LED bulbs, adjust"/>	<input type="text" value="\$ /month"/>
Water	<input type="text" value="\$ /month"/>	<input type="text" value="Low-flow fixtures,"/>	<input type="text" value="\$ /month"/>
Cable (if no alternatives)	<input type="text" value="\$ /month"/>	<input type="text" value="Cut cable, use str"/>	<input type="text" value="\$ /month"/>

Your Action Plan

Monopoly service where I'll reduce consumption:

e.g., Electricity, water, gas

Specific action:

e.g., Install LED bulbs in all rooms, set thermostat to 68 in winter

Expected monthly savings: \$

0.00

Total Expected Savings from All Strategies

Monthly Savings

\$0

Annual Savings

\$0

PFL Academy - L-51: Market Structures and Consumer Choice