

Fair Decisions

The Economics of Roast Corn, Turkey Legs, and Fried Ice Cream

FOODIES

QUEST 05 ECONOMICS

STATE FAIR OF TEXAS CURRICULUM

STUDENT EDITION

Recap

You will be going to the State Fair of Texas to research the economic decisions that go into choosing what Fair foods to sell...and while you're at it, you'll get to eat them!

STATE FAIR MAP



Recall from your class discussions:

- ★ You defined the terms scarcity, costs, benefits, opportunity cost, and diminishing utility, incentives, and supply & demand.
- ★ You should have had a brief talk in class about cost-benefit analyses and how businesses use them in making tough economic choices.
- ★ You worked in groups to fill out a **Vendor Behavior Prediction Worksheet** to predict vendor practices and consumer behavior at the Fair.
- ★ Your group also should have used the **Product Prototype Brainstorming Guide** to brainstorm a prototype for an ideal new Fair food. You should keep your group's new product in mind as you gather information in your Quest today, so pay close attention to see if any products are similar to the ones you and your group designed!



Plan Your Route

- ★ Have your materials (listed below) ready before you get to the Fairgrounds... especially your map!
- ★ Identify and locate key Fair Food vendors at locations like the Tower Building Food Court and/or the SkyWay Porch
- ★ Find vendors for 3-4 completely different, popular Fair foods.
- ★ Locate a specific food product sold by five or more competing vendors.



Optional Materials to Bring

- ★ Your **Economic Data Collection Packet**
- ★ Pen or Pencil
- ★ Notebook or Paper
- ★ Smartphone or Tablet (you can even choose to let Siri guide you around, if you have it)
- ★ A printed map of the State Fair of Texas, available online or at any Fair gate



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While You're There

You will use information you gather at the State Fair to help you with TWO project goals:

1. Concoct a new Fair food for next year's State Fair, that will be wildly successful.
2. Design an art piece using only the resources you have.

But the objective of your visit TODAY is to explore the wild world of buying and selling delicious Fair foods, while you complete the questions on this **Economic Data Collection Packet** as completely and accurately as you can. Bring the packet back to school afterward to work on an exciting project!

Economic Data Collection Packet

Name:

Class Period:

Instructions

Identify vendors of popular Fair foods and/or beverages, and then spend a few minutes observing each.

- Spend five or 10 minutes watching each vendor.
- Look specifically for the things it takes to make, package and sell each product.
- Then, write down in the grid below some basic information about each of the Fair vendors you observe.
- Catalog as many of the inputs to their product line as you can see, from raw materials, to labor, to product packaging.
- As you work, try to make inferences about inputs to each sale that you may not be able to see directly in each transaction.
 - Example: advertising posters or the time of day.
- Finally, watch and write down observations about customer behavior.
 - How long does the average customer wait in line to buy the product your observing, for example?
 - Do they buy multiple products?
- Write down anything you see that seems important about the transactions you're witnessing.

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Economic Data Collection Packet

Vendor Name	Food or Beverage (Ex: nachos)	Raw Materials (Example: cheese)	Labor/Unseen Inputs (Ex: # of workers, advertising, time of day)	Consumer Behavior (Ex: length of time in line, average sale)

Now, turn your attention to the customers.

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Economic Data Collection Packet

- Select 2 or 3 customers
- Speak with each briefly about the choice they've made to buy at a particular stand.
- Use the questionnaire below to guide your interview!

Customer 1	
What food or beverage are you waiting to purchase?	
Why are you waiting to buy this item?	
Was there another item that you considered instead, and if so, what made you decide on this one?	
What made you decide on this particular Food vendor?	
What role, if any, did pricing play in your decision?	
What role, if any, did the length of the line play in your decision?	

Customer 2	
What food or beverage are you waiting to purchase?	
Why are you waiting to buy this item?	
Was there another item that you considered instead, and if so, what made you decide on this one?	
What made you decide on this particular Food vendor?	
What role, if any, did pricing play in your decision?	
What role, if any, did the length of the line play in your decision?	

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Customer 3	
What food or beverage are you waiting to purchase?	
Why are you waiting to buy this item?	
Was there another item that you considered instead, and if so, what made you decide on this one?	
What made you decide on this particular Food vendor?	
What role, if any, did pricing play in your decision?	
What role, if any, did the length of the line play in your decision?	

Once you're done with your interviews, select a product sold by multiple vendors – maybe a personal favorite or something traditionally popular here at the Fair like, say, strawberry lemonade or sausage on a stick – and conduct some basic research into price ceilings and floors.

- Identify 5 different, unrelated vendors selling this item.
- Then, in the grid on the next page, fill in the lowest and highest prices you can find for that item.
- As you work, keep in mind things like product size or specific ingredients.
 - For example, if you select an ice cream cone as your item, make sure that you're collecting and writing down information for all single-dip cones and not a single dip at one stand and a triple dip at another.

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Name:

Class Period:

Name of Fair Food or Beverage:

Description of Product:

Vendor Name	Vendor Location	Price of Item (low/high)	Key Observations (Ex: Is there a discount offered? Does pricing change by size?)
1.		/	
2.		/	
3.		/	
4.		/	
5.		/	

As a last and final step here at the Fair, find a place to sit and reflect for five minutes on the things you've observed today and the Fair food your team talked about creating and selling back in class. In the note field below, jot down any thoughts, questions, ideas, or potential problems that come to mind as a result of this Foodies Quest. Are there lessons to be learned that could shape the business plan you're creating? What, for example, might the interviews you've conducted with consumers tell you about pricing?

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Once you're done, carefully tuck this sheet away and enjoy the rest of your day at the Fair -- and make sure to bring back your work to your next Economics class for group analysis and the preparation of your economically sound Fair food sales and marketing plan!

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When you return to class following your State Fair visit, you will work on your two projects. See your teachers for more information.