

It's time to celebrate that A on your first Math 1050 exam! You've been looking at a new pair of running shoes for several months and today's newspaper has a \$15 off coupon for purchases over \$50 at *Runners Are Us*. The sales clerk is helpful in locating the chartreuse design with aqua trim you've had your eye on, and is kind enough to advise you of the current 20% off sale the store is running on shoe purchases. The price of the shoes is \$100, not too bad for good quality running shoes. All is good until you get to the cash register and want to get the best possible price using the \$15 coupon discount along with the 20% sale discount. Should you request the 20% discount first, or use your \$15 coupon before the 20% is deducted? Does the order in which discounts are taken make any difference?

1. What will you pay for the shoes (before taxes) if the 20% discount is applied first?

$$100(0.2) = 20 \quad \text{or} \quad 100 - 20 = 80$$

$$80 - 15 = 65$$

So it would be \$65.00

2. What will you pay for the shoes (before taxes) if the \$15 discount is applied first?

$$100 - 15 = 85$$

$$85(0.2) = 17$$

$$85 - 17 = 68$$

So it would be \$68.00

3. Does applying one discount before the other make a difference? If it does, which discount would you prefer that the sales clerk apply first?

Yes, I would take the 20% off first.

4. Letting  $x$  represent the original price of the shoes, find a function  $P(x)$  that calculates the amount you pay for the shoes after a 20% discount (before taxes).

$$P(x) = x - x(0.2)$$

$$x(1 - 0.2)$$

$$P(x) = 0.8x$$

5. Letting  $x$  represent the original price of the shoes, find a function  $D(x)$  that calculates the amount you pay for the shoes after a \$15 discount (before taxes).

$$D(x) = x - 15$$

6. Letting  $x$  represent the original price of the shoes, find and simplify the composite function  $P_F(x)$  that calculates the amount you will pay, before taxes, if a 20% discount is applied first, followed by a \$15 discount.

$$P_F(x) = 0.8x - 15$$

7. Letting  $x$  represent the original price of the shoes, find and simplify the composite function  $D_F(x)$  that calculates the amount you will pay, before taxes, if a \$15 discount is applied first, followed by a 20% discount.

$$D_F(x) = 0.8(x - 15)$$

8. Using the composite functions  $P_F(x)$  and  $D_F(x)$ , determine the order of discounts that is more beneficial to the customer when one discount is 15% and the other is \$20?

$$P_F(x) = 0.85x - 20 \text{ is more beneficial}$$

9. What order of discounts is more beneficial to the customer if both discounts are percentages (for example, 15% and 20%)? Support your answer.

i.e.  $.8(100(.85)) = 68$

$$.85(100(.8)) = 68$$

They are equal

10. a) If you are offered the choice of either a \$20 discount or a 20% discount on the purchase of a pair of shoes that have already been discounted to \$120, would you choose \$20 or 20%?

I would choose 20% discount because it is over \$100

$$120(.8) = 96 \text{ which is } < \$100$$

- b) If the discounted shoes are \$60, would you choose an additional discount of \$20 or 20%?

I would choose \$20 discount because it is less than \$100

$$60 - 20 = 40$$

$$60(.8) = 48$$

- c) For what price of shoes would the discounts be equivalent?

At a price of \$100