

C1-C2 English Worksheet

Dynamic Pricing: When the Same Product Costs Different Prices

2 October 2026

Article

For decades, the price tag functioned as a public promise: everyone looking at the same product could expect the same price. That model is beginning to fade away. Dynamic pricing changes prices according to factors such as demand, inventory, timing or location. Personalised pricing goes further by using information about a consumer to estimate willingness to pay. The US Federal Trade Commission has found that pricing intermediaries can draw on granular data including location, browsing history, shopping behaviour and even mouse movements to shape prices or promotions.

The distinction matters because algorithmic pricing is not automatically personalised. Reuters recently reported that McDonald's uses AI to analyse millions of transactions and recommend prices to individual restaurants, so outlets a few miles apart may charge different amounts. By contrast, a 2025 Consumer Reports investigation of Instacart found that shoppers placing identical grocery baskets from the same stores could receive different prices. Some items varied by up to 23 per cent. Instacart subsequently ended those experiments. The case has come under scrutiny again after a 29 September Fortune excerpt highlighted how quickly digital retail can move beyond one uniform price.

Supporters argue that flexible pricing can help businesses clear stock, respond to demand and pass on discounts. Critics worry that data-rich systems can zero in on consumers who appear less price-sensitive, single out people facing urgency, or make it harder to shop around. Opaque pricing can also play into an information asymmetry: the seller may know far more about the buyer than the buyer knows about the algorithm. The debate does not boil down to whether every variable price is unfair. It is about transparency, consent and market power. Consumers may accept legitimate price changes based on demand, yet draw the line when personal data quietly determines what they are asked to pay.

True/False

Decide if each statement is True (T) or False (F).

No.	Statement	T / F
1	Dynamic pricing and personalised pricing are presented as exactly the same practice.	
2	The FTC has found that detailed consumer data can help shape prices or promotions.	
3	The McDonald's example is described as setting a unique price for each identified customer.	
4	The Instacart investigation found that shoppers could receive different prices for identical grocery baskets.	
5	Some individual products in the Instacart investigation differed in price by as much as 23 per cent.	
6	The article says Instacart continued the same pricing experiments after the investigation.	
7	The writer argues that every form of variable pricing is necessarily unfair.	
8	Transparency, consent and the balance of power between seller and buyer are central to the debate.	

Phrase Match

Match the phrases (1-10) to the correct definitions (A-J).

Phrases (1-10)	Definitions (A-J)
1. fade away	A. focus very closely on a particular target
2. draw on	B. have one main issue or explanation at its centre
3. come under scrutiny	C. gradually disappear
4. pass on	D. set a limit that you are unwilling to go beyond
5. zero in on	E. compare offers from different sellers before buying
6. single out	F. receive close attention or criticism
7. shop around	G. contribute to or influence an existing situation
8. play into	H. transfer a benefit, cost or saving to someone else
9. boil down to	I. choose one person or group for special treatment
10. draw the line	J. use something as a source of information or support

Synonym Match

Match the words (1-10) to the correct synonyms (A-J).

Words (1-10)	Synonyms (A-J)
1. uniform	A. tailored
2. granular	B. later
3. opaque	C. changeable
4. personalised	D. agreement
5. legitimate	E. detailed
6. variable	F. valid
7. transparency	G. imbalance
8. consent	H. consistent
9. asymmetry	I. openness
10. subsequently	J. unclear

Use the New Language

Choose 5 words or phrases from the worksheet and write your own sentences.

No.	Your sentence
1	
2	
3	
4	
5	

Discussion Questions

Student A	Student B
1. Where do you notice prices fluctuate most often: flights, hotels, taxis, tickets or online shopping?	1. Where would you draw the line between acceptable dynamic pricing and intrusive personalised pricing?
2. Have you ever delayed a purchase and then watched the price rise or fall?	2. Can personalised pricing be fair if consumers give informed consent and sometimes receive lower prices?
3. Do you use price alerts, comparison websites or other tools when you shop around?	3. How does the information asymmetry between a retailer and a customer affect genuine freedom of choice?
4. Would you share more shopping data if it guaranteed genuinely useful discounts?	4. Could tailored discounts improve affordability, or would algorithms mainly zero in on each customer's maximum willingness to pay?
5. Have you noticed the same chain charging different prices in different areas?	5. Is surge pricing more legitimate for scarce services than for essential goods?
6. Do loyalty discounts feel like a reward for members or a penalty for everyone else?	6. Can competition protect consumers if most retailers use opaque pricing systems that make it difficult to shop around?
7. Which products or services most need predictable, transparent prices?	7. Should companies be required to explain which personal factors play into the price or discount a customer sees?
8. Would knowing that an algorithm helped set a price change your decision to buy?	8. Could a clear fixed-price policy eventually become a selling point because customers value trust and simplicity?

Answer Key

True/False	1=F, 2=T, 3=F, 4=T, 5=T, 6=F, 7=F, 8=T
Phrase Match	1=C, 2=J, 3=F, 4=H, 5=A, 6=I, 7=E, 8=G, 9=B, 10=D
Synonym Match	1=H, 2=E, 3=J, 4=A, 5=F, 6=C, 7=I, 8=D, 9=G, 10=B

Example Sentences With the Phrases

No.	Example sentence
1	Some traditional pricing systems may fade away as digital labels spread.
2	Retailers can draw on sales data when planning promotions.
3	Data-based pricing has come under scrutiny from consumer groups.
4	A business may pass on lower costs through temporary discounts.
5	An algorithm can zero in on customers who rarely compare prices.
6	A personalised offer might single out shoppers with particular habits.
7	Consumers can shop around more effectively when prices are transparent.
8	Fear of missing out can play into a shopper's decision.
9	The disagreement may boil down to how much data a retailer should use.
10	Many consumers draw the line at prices based on private browsing history.