

Deal or No Deal? Comparing Dollar Stores to Walmart & Others

By Len Penzo

Believe it or not, the dollar store has been around since at least 1955 when Dollar General opened up its first store in Springfield, Kentucky.

Granted, in terms of purchasing power, a dollar went a lot further back then – equivalent to just a hair under \$8 today. Even so, when you walk into a dollar store, it quickly becomes apparent that inflation has done very little to reduce the size of its qualifying inventory.

In fact, my local dollar store carries such a wide variety of products, I am confident I could get by fairly well in a pinch if it were the only store in town; it even carries fresh produce.

Still, for every person that says dollar stores provide terrific bargains for a buck or less, you'll find another who will say that you only get what you pay for. Others insist that if you aren't careful, you can actually get ripped off at a dollar store.

It's the modern version of the Hatfields and the McCoys.

So who's right and who's wrong? I know I was confused.

Time to Play Secret Shopper

That's why last week I decided to spend a few hours and do a little comparison shopping in order to try and find out some of the best bargains dollar stores have to offer – and perhaps sniff out a few items that you might be better off getting somewhere else.

For my comparison I decided to compare 13 items I found at my local dollar store (99-Cent Only!) to the prices of similar items at my local Walmart, Rite Aid drug store, and Albertsons grocery supermarket.

Here is a summary of the results:

Verdict	Product	99-Cent Only	Walmart	Rite Aid	Albertsons	Note
Deal	Crackers	\$ 1.00	\$ 1.68	n/a	\$ 2.49	1
Deal	Batteries	\$ 1.00	\$ 0.97	\$ 4.49	\$ 8.99	2
Deal	Tissue	\$ 1.00	\$ 2.23	\$ 2.11	\$ 1.43	3
Deal	Paper Plates	\$ 1.00	\$ 1.19	\$ 2.09	\$ 1.40	4
Deal	Water	\$ 0.70	\$ 0.78	n/a	\$ 0.99	5
Deal	Fruit Juice	\$ 1.00	\$ 0.98	n/a	\$ 1.35	6
Deal	Celery	\$ 1.00	\$ 1.28	n/a	\$ 1.67	7
No Deal	Socks	\$ 1.00	\$ 0.77	\$ 1.42	n/a	8
No Deal	2-liter Soda	\$ 1.00	\$ 0.78	\$ 1.25	\$ 0.89	9
Deal	Razor Blades	\$ 1.00	\$ 6.79	\$ 8.00	\$ 8.40	10
No Deal	Toothpaste	\$ 1.00	\$ 0.97	\$ 0.80	\$ 1.50	11
Deal	Baby Shampoo	\$ 1.00	\$ 1.49	\$ 3.29	\$ 2.99	
No Deal	Chili Powder	\$ 1.00	\$ 0.45	n/a	\$ 2.08	

Price survey conducted on October 27, 2010 at 99-Cent Only, Wal-Mart, Rite Aid (drug store), and Albertsons (grocery store). Unless otherwise noted, products are store- or off-brand labels. For comparison purposes, listed prices are normalized to the 99-Cent Store price when similar sized packaging could not be found for a

(grocery store). Unless otherwise noted, products are store- or off-brand labels. For comparison purposes, listed prices are normalized to the 99-Cent Store price when similar sized packaging could not be found for a surveyed product.

1. Goldfish brand 6.6 oz
2. Heavyduty Alkaline AA cell (4-pak). 99-Cent: Everready; Wal-Mart: Ray-O-Vac; Albertsons: Duracell
3. 2-ply
4. Unwaxed (price per
5. 1-gallon bottle
6. Sunny-D
7. Pre-Packaged
8. Men's crew socks, size 10/11
9. 2-liter bottles
10. 3-blade cartridges for Gillette Sensor. 99-Cent: off-brand; All others: Gillette.
11. Colgate Whitening

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The Best Dollar Store Deals

1. Razor blades. Any man who uses a traditional razor will tell you that replacement blades are not cheap. The results of my survey wasn't a close shave by any means. The dollar store offered a 4-pack of off-brand blades for a Gillette Sensor razor for a buck. The best the closest competition could do was offer a name-brand pack at almost seven times the cost on an equivalent basis.

2. Batteries. The Wall Street Journal warns that you should always stay clear of dollar store batteries because of their inferior quality. While my dollar store couldn't claim they had the cheapest batteries – the Walmart price was three cents lower - they were still a deal. Even better, I was shocked to discover that the dollar store was not selling the poor-performing carbon zinc batteries, but higher-quality alkalines! Best of all, they were \$3.50 cheaper than similar batteries found at Rite Aid.

3. Goldfish crackers. I love Pepperidge Farms' goldfish-shaped crackers. My local dollar store handily beat out the prices offered by Walmart and Albertsons. In case you're wondering, the crackers at the dollar store really were worth their salt; they still still had more than a month to go before the "use by" date.

4. Tissue. On a per-count basis, the deal the dollar store was offering on their tissues was nothing to sneeze at; the closest competition found at my Albertsons grocery store was 43 percent more expensive.

The Worst Dollar Store Deals

1. Chili powder. Regardless of the quality you may think they offer, the conventional wisdom is that when it comes to price, dollar store spices can't be beat. This survey turns that train of thought upside down, as Walmart had chili powder on sale for less than half the dollar store price. Talk about spicy deals.

2. Socks. The off-brand dollar store socks were not only significantly more expensive per pair than the name-brand competition at Walmart but, judging by the "feel test," their quality was also much poorer. To wit, the dollar store socks were extremely thin and as scratchy as 60-grit sandpaper. Ouch.

3. Two-liter sodas. Walmart and Albertsons not only both had lower prices than the dollar store, but a larger selection too.

4. Toothpaste. Toothpaste was another one of those items the Wall Street Journal identified as something you probably want to stay away from at dollar stores, especially because the FDA identified "several counterfeit tubes that look like Colgate" sitting on dollar store shelves. My dollar store offered tubes of Colgate toothpaste, although I couldn't tell if it was counterfeit or not. No matter; both Walmart and Rite Aid offered (presumably genuine) Colgate toothpaste at a lower equivalent price.

So What Did I Learn From This Little Exercise?

Aside from reaffirming my personal distaste for shopping, I discovered that there are some really great deals to be had at dollar stores. In fact, I still can't get over the price savings on razor blades!

That being said, I also discovered that there are indeed items for sale at dollar stores that you can get cheaper somewhere else.

I know what you're thinking: *"Yeah, Len, thanks for stating the obvious. Didn't you learn anything else from this little exercise?"*

Well, actually I did. If those dollar store socks are any indication, I know I'll be telling the Honeybee to make sure she never ever buys my underwear at a dollar store – no matter how big the savings.

This article was written on November 1st, 2010 | 38 comments

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Dr Dean
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Penzo the undercover cop/shopper. Since you live in LA, when can we expect the movie?

How did the store brand razors shave? That's a great price if it doesn't turn your skin into a Halloween mask.

My wife will make 4 stops to buy what she wants at the best price. I don't even like to make one stop, but that's why she is in charge of the check book!