

# The persuasive power of opportunity cost essays examples

[Economics](#), [Macroeconomics](#)



Economics is a subject that is used in different phases of life, and it is one of the most important subjects. The basic definition of economics stride upon the fact that how to earn the money and how to consume it accordingly.

Authors identified and described these particular concepts under the umbrella of two important things, which particularly are microeconomics and macroeconomics. Microeconomics is a form of economics that relates to the branch of economics of individuals. Macroeconomics is the second thing which analyzes the economics related to the country as a whole or mass marketing.

The concepts of economics vary from type, like microeconomics and macroeconomics and there is a concept is there with the name of Opportunity Cost. The cost of alternative that must be forgone in order to pursue a certain action is known as Opportunity Cost. It is a sort of benefits that could have received by taking an alternative action. Opportunity cost of two individuals always differs from each other because every individual has different buying and purchasing power and in relation to the same, the stance of getting and utilizing the products always differ with each other.

Economic Analysis is one of the most important concepts that come under the ambit of Economics, and it is found that the provision of economic analysis used by the companies as well as by the countries as well, as it analyzes the financial and economical health of an organization and the country, as well. The concept of Opportunity cost is one of the most integral concepts from the standpoint of an individual as well as from the viewpoint of the companies as well; hence it could be said that the concept of opportunity cost stride both under microeconomics and macroeconomics in

particular. The concept as well as the applicability of Opportunity Cost vary from individual to individual because it is not possible to have identical needs of two persons and the concept of opportunity cost defines and analyze the same. The main perspective of this assignment is to analyze the importance of opportunity cost by analyzing a certain situation (H. G. Heymann, p. 44). There is an article that has been associated with the analysis named “ The Persuasive Power of the Opportunity Cost” who written by “ Timothy Taylor”. It is a blog that has been written and there was a case has been described accordingly.

There are three different examples have been identified in this particular analysis, which is buying a Pioneer Stereo cost \$ 1, 000, or buy the same of the Sony Company which has a total cost of \$ 700 and \$ 300 could have been saved for purchasing of a new thing. CDs could have been bought accordingly with the amount of \$ 300. In this entire blog, Timothy found that having any of the examples worth for the person who is trying to consume accordingly. The option of buying the stereo worth of \$ 1, 000 should not be considered and alternatively, it could be said that buying of stereo with an amount of \$ 700 would enable the buyer to save the money of \$ 300. The only thing which considers buying expensive stereo is the quality of Pioneer Stereo; hence there would be no opportunity cost associated with it. We are considering having the stereo of Sony at the price of \$ 700 and can save the money amounting to \$ 300. This particularly saved amount can be used in somewhat different place or could buy the CDs from this amount. It is always worth to have or buy two different things rather than emphasizing on a single one in particular. The most highly valued alternative of using the

money is to buy the CDs from the net amount of \$ 300. The factors that may influence over the decision is the actual quality of the product of Pioneer, which cost is \$ 1, 000, almost \$ 300 higher than that of the stereo of Sony, but it may be excellent in quality as well as compared to the quality of Sony. However, every individual has to think over and look over their own pocket while buying a certain thing and should be categorized the things like opportunity cost and utilization accordingly. The factors that influence over the decision making stance depends upon the propensity to consume the product and personal interest towards the product. The other two examples are buying the less expensive stereo and buying CDs, as well.

## **Works Cited**

H. G. Heymann, Robert Bloom. Opportunity Cost in Finance and Accounting. New York: Quorum Books, 2005.