

Introduction

In the past three years the average price of a gallon of gasoline in the United States has doubled (American Automobile Association, 2007). As a result, USA Today (2007) magazine now estimates that the average American family is spending between 9 and 20 percent of its annual budget on transportation costs. Historically, Georgia has had lower prices than the national average. However, this has recently changed and the average price for a gallon of gas throughout the state now competes with the national average. Naturally, in Metro Atlanta where commuting is a way of life, people are concerned about how the price they pay for a gallon of gas stacks up against the national average. Are they still better off than the average American when it comes to the price they pay at the pump or are they now at a disadvantage? The purpose of this study was to determine how the average price for a gallon of regular gasoline in the Metro Atlanta area compared to the national average.

Method

A sample of 40 gas prices from the five biggest Metro Atlanta counties was collected on a given day. Data from two major cities in each county and from five gas retailers common to each were included. This data was obtained from two websites that reported some of the prices for regular, unleaded gasoline as noted by commuters in major commuter thoroughfares each day. The mean price for gas obtained from this sample was compared to the mean national gas price for that day as reported by the American Automobile Association.

Results

Table 1 presents the mean and standard deviation for our sample. The results show that the mean price for a gallon of regular unleaded gasoline in the Metro Atlanta area was \$2.94 and the standard deviation was \$.06. This mean was compared with a national mean of \$3.05 for the same type of gasoline (Table 2) in a one sample t test. The mean price of gas for our sample was \$0.11 lower than that of the nation as a whole. We conclude that the mean price for a gallon of regular unleaded gasoline in the Metro Atlanta area is significantly lower than the mean price for a gallon of regular unleaded gasoline in the nation as a whole. ($t_{.05, 39} = -10.39, p = .001$).

Table 1

One-Sample Statistics

	N	Mean	Std. Deviation	Std. Error Mean
price	40	\$2.9437	\$.06468	\$.01023

Table 2

One-Sample Test

	Test Value = 3.05					
	t	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
price	-10.390	39	.000	-\$0.10625	-\$0.1269	-\$0.0856

Discussion

This study found that the average price commuters in the Metro Atlanta area pay for a gallon of gasoline for their vehicles is significantly less than the average price that commuters on the whole are paying throughout the country. This should be good news for families in the area who are trying to maximize the spending power of the dollars they invest in commuting. This study was done with a convenience sample that may not be fully representative of the gas prices in the Metro Atlanta area. Any future studies should be completed with a more representative sample. Future studies might also wish to focus on how different counties compare with the national average since the data indicated a range of prices linked to the county in which consumers live.