



## Jump\$Start Washington Curriculum Unit Two Chapter Seven: Being a Smart Consumer

### Chapter Learning Objectives

1. Learn smart consumer skills.
2. Recognize high-pressure sales pitches.
3. Become aware of shopping cycles.
4. Learn financial terms.

### Episode 114 Synopsis

Explore smart shopping strategies and get the most for your money. Learn how to avoid common pitfalls and traps set by savvy marketers and high-pressure sales people. Meet some smart consumers and successful entrepreneurs.

### Jump\$Start Standards Correlations

#### Financial Responsibility and Decision-Making

- Take responsibility for personal financial decisions.
- Find and evaluate financial information from a variety of sources.
- Make financial decisions by systematically considering alternatives and consequences.

#### Planning and Money Management

- Develop a plan for spending and saving.
- Apply consumer skills to purchase decisions.

### Washington State Standards Correlations

#### SOCIAL STUDIES

2. ECONOMICS - The student applies understanding of economic concepts and systems to analyze decision-making and the interactions between individuals, households, businesses, governments, and societies.

2.1 Understands that people have to make choices between wants and needs and evaluate the outcomes of those choices. (Grades 1-2 and 4-12)

2.4 Understands the economic issues and problems that all societies face. (Grades 4 and 6-12)

## Lesson Prep and Supplies

### Getting Started

1. Familiarize yourself with this **BizKid\$** episode by watching it ahead of time. The episode will serve as a springboard to student learning, discussions, vocabulary exploration, and related hands-on activities.
2. Determine what equipment is required to show the episode in the classroom and request it if needed.
3. Choose an activity and gather supplies to learn about “Being a Smart Consumer.”

### Equipment & Supplies for Preview and Screening

Time Needed: 45-60 minutes

#### *Items Needed For Class:*

TV/DVD Player  
DVD of Episode 301  
Projection System

#### *Items Needed for Each Student:*

Pencil or Pen  
Paper for taking notes  
Copy of BizTerms sheet for each student

## Activity One: Preview and Screening

### Introduction

Briefly explain that **BizKid\$** is a public television series that teaches kids about money and business. Mention that the bizkids.com website has lots of video clips, games, a blog, and other resources to help kids start businesses and learn about money.

### Episode Preview Activity

Before you show **BizKid\$** episode 114, “Being a Smart Consumer,” lead your students in a brief activity.

- Distribute paper and pen or pencil to each student. Let students know to list any questions they have for later discussion.

Ask students the following discussion questions:

- What is the difference between being a consumer versus being a smart consumer? Can you list some specific behaviors for each category?
- Have you ever wanted something so much that you just went to the store and bought it? Did you suffer from ‘buyer’s remorse’ afterwards?
- Have you ever paid to purchase something and then learned you could have paid less for the exact same item? How can you keep that from happening?

After the students discuss these questions as a group, tell them what they will see in episode 114 “Being a Smart Consumer” as described below.

### About the Episode

Explore smart shopping strategies and get the most for your money. Learn how to avoid common pitfalls and traps set by savvy marketers and high-pressure sales people. Meet some smart consumers and successful entrepreneurs.

### Next Steps

Show the BizKid\$ episode. After the episode, ask students if they found answers to any of the questions they wrote on their sheets. Allow them to share and ask any questions that remain. Did they learn anything from the episode that will influence their behavior?

Distribute the list of BizTerms vocabulary to each student. Have them look up definitions. Papers are due in about 30 minutes. After 30 minutes have passed, give the students a copy of the definition sheet and they can check their own answers against the sheet.

## Activity Two: BizTerms Vocabulary and Definitions

### BizTerms Vocabulary

1. Advertisements
2. Attributes
3. Consumer
4. Consumer research
5. Features
6. Goods
7. Sales pressure
8. Services
9. Shopping strategy
10. Value

## **BizTerms Definitions**

1. Advertisements are promotions of goods or services.
2. Attributes are qualities or characteristics of something.
3. A consumer is a person who buys goods or services.
4. Consumer research is the investigation and analysis of consumer needs and opinions about goods and services.
5. Features are special characteristics of a product.
6. Goods are things that you can buy or sell which can be seen or touched.
7. Sales pressure is a high pressure advertising pitch designed to make consumers buy now.
8. Services are tasks performed that meet a need with words or actions.
9. A shopping strategy is a plan to shop wisely to get the most for your money.
10. Value is the importance that you place on something, what it is worth to you.

## Activity Three: Sales Pressure

### Activity Learning Objectives

- Recognize high-pressure sales pitches.

### Supplies Needed

- Pen or pencil
- Student copies of “Sales Pressure” worksheet

### Directions

- Distribute a “Sales Pressure” worksheet and a pen or pencil to each student.
- Allow 15 to 30 minutes for students to read the problems and write down possible solutions.
- Then have a class discussion to determine if students chose the same or different solutions to each particular problem. There can be more than one way to solve a problem. Have students support their choices by explaining their thinking.

## Sales Pressure Worksheet

Sales pressure occurs when a salesperson is using techniques to convince you to buy their product right now. One place to find examples of high pressure sales techniques is on television 'infomercials' – commercial programs designed to sell you a product immediately.

Students – Assume that you each have \$1,000 to spend. Decide which, if any, of the following items you will buy. Don't forget to do the math and make sure you can afford everything you want.

Teachers – Ask for a different volunteer to be the sales person for each example, and have that volunteer give a high-pressure pitch that includes the technique listed.

1. The product: A \$500 big screen television.  
The high pressure technique: A 10% discount – today only!

Do you buy it? Did the sales pitch help you make your decision? How much did you spend?

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2. The product: A \$120 pair of designer sneakers.  
The high pressure technique: Buy one today and get a 2<sup>nd</sup> pair for half price!

Do you buy it? Did the sales pitch help you make your decision? How much did you spend?

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3. The product: A \$400 mountain bike.  
The high pressure technique: This is the last one, don't miss out!

Do you buy it? Did the sales pitch help you make your decision? How much did you spend?

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4. Describe one other high-pressure technique that you have heard of. Is it effective? Why or why not?
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Have students discuss these ideas and share their answers with the class.

## Activity Four: Smart Consumer

### Activity Learning Objectives

- Learn smart consumer skills.
- Become aware of shopping cycles.

### Supplies Needed

- Pencil with eraser
- Student copies of “Smart Consumer” worksheet

### Directions

- Distribute a “Smart Consumer” worksheet and a pen or pencil to each student.
- Allow 15 to 30 minutes for students to read the problems and write down possible solutions.
- Then have a class discussion to determine if students chose the same or different solutions to each particular problem. There can be more than one way to solve a problem. Have students support their choices by explaining their thinking.

## Smart Consumer Worksheet

Smart consumers are aware of shopping cycles. For example, 'back-to-school' shopping happens in the late summer months in the United States. Smart shoppers also use coupons and look for discounts.

Read the examples below and decide if a smart consumer would buy it now, or later, and why.

1. It's early in the summer shopping season, and you want to purchase new swimwear. You see an item that you like at a department store. Is it better to buy a new item now, in June, or to wait until later in the summer? Why?

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2. What if you have time to go check at another store first, to compare prices, before you make your decision. Would you buy now or compare first?

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3. What if it is the last one left in your size? Does that affect your decision?

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4. What if you have a coupon and it is only good this weekend? Does that change your decision?

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5. What if the item is discounted and you can use your coupon for a percentage off on top of the discounted price? How does that affect your choice?

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6. Can you think of other reasons why a purchase might be a smart decision?

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Have students discuss these ideas and share their answers with the class.

## Resources

BusinessDictionary.com	A reliable source for the definition and explanation of financial terms.
MyMoney.gov	The U.S. government website dedicated to teaching Americans the basics of financial education.
National Financial Educators Council (NFEC)	NFEC and the NFEC EduNation Campaign provides complementary personal finance materials for parents, educators and concerned citizens interested in teaching children about money. <a href="http://www.financialeducatorsCouncil.org">http://www.financialeducatorsCouncil.org</a>
360 Degrees of Financial Literacy	This is a free program to help Americans understand their personal finances through every stage of life. It is sponsored by the American Institute of Certified Public Accountants. <a href="http://www.360financialliteracy.org">http://www.360financialliteracy.org</a>
Banking and Financial Systems	This is a textbook published by Goodheart-Willcox. The ISBN number is 978-1-60525-778-5. <a href="http://www.g-w.com">http://www.g-w.com</a>
Voluntary National Content Standards in Economic Education	This book is the 2 <sup>nd</sup> edition from the Council for Economic Education. The ISBN number is 978-1-56183-733-5. <a href="http://www.councilforeconed.org">http://www.councilforeconed.org</a>
Improving Financial Literacy: What Schools and Parents Can and Cannot Do	This book is published by Jump\$tart Coalition for Personal Financial Literacy. The ISBN number is 0-9666010-1-7. <a href="http://www.jumpstart.org">http://www.jumpstart.org</a>