

Buying Power

Complete the five steps to earn your Buying Power Badge.

1. **Compare cost and options:** Join Jessica to learn more about the difference between cost and options and how it relates to your buying power!

2. **Conduct consumer research:** Do you enjoy ice cream? A long time ago, you could only get ice cream after 12:00 pm at one local ice cream shop. In time though, consumer research showed that people wanted to be able to buy ice cream at all different times of the day. The local ice cream shop began selling their ice cream by the pint and featuring it at local grocery stores to increase their sales. It worked! Now that the ice cream was easier to find, the companies' profits soared!

Choose a popular item that most people own and choose 3 adults or friends to interview about that item? Ask them the following questions and compare their answers:

- Why did you buy this item?
- Did you get a good deal when you purchased it?
- Did the brand of the item matter to you? If so, why?

3. **Calculate the long term costs:** One of the most important things to consider when making a big purchase is what the cost of fixing or replacing that item will be in the future?

Choose one big ticket item that you would like to purchase and research the long term costs of owning that item. You could also

explore the cost of attending college including: books, room & board, and school supplies.

Big ticket items are purchases which are not only expensive but require the owner to take on significant responsibility.

- A dog
- A new car
- Paying for college
- A diamond necklace

4. Investigate ways to find better deals: Use the big ticket item you've chosen to purchase and research how you can get a better deal.

For example if you are shopping for a new car, look at different dealership websites to see which site offers the lowest pricing. Be sure to be on the lookout for hidden fees or other charges that might not be clear from the start. What do you notice about the advertising? Which store or dealership offers the best all-around package for the buyer? Are there any options to get an even better deal? What are those options?

5. Create a savings plan for a big purchase you would like to make:

When dreams become a reality it can be easy to lose sight of what's important and sometimes if you aren't responsible with your finances you can cause yourself a lot of trouble.

Watch the [tutorial](#) to learn more about being financially responsible.

After you watch the video challenge yourself to create a savings plan that will help you reach your dreams. How much will it cost to go on your dream vacation or buy your dream car? Think about how much you can realistically save every day or every week to get you closer to your goals. Below is an example to help you get started!



52 WEEK MONEY SAVING CHALLENGE FOR TEENS

WK	WEEK OF	DEPOSIT	BALANCE	✓
1		\$1	\$1	<input type="checkbox"/>
2		\$2	\$3	<input type="checkbox"/>
3		\$3	\$6	<input type="checkbox"/>
4		\$4	\$10	<input type="checkbox"/>
5		\$5	\$15	<input type="checkbox"/>
6		\$6	\$21	<input type="checkbox"/>
7		\$7	\$28	<input type="checkbox"/>
8		\$8	\$36	<input type="checkbox"/>
9		\$9	\$45	<input type="checkbox"/>
10		\$10	\$55	<input type="checkbox"/>
11		\$11	\$66	<input type="checkbox"/>
12		\$12	\$78	<input type="checkbox"/>
13		\$13	\$91	<input type="checkbox"/>
14		\$14	\$105	<input type="checkbox"/>
15		\$15	\$120	<input type="checkbox"/>
16		\$16	\$136	<input type="checkbox"/>
17		\$17	\$153	<input type="checkbox"/>
18		\$18	\$171	<input type="checkbox"/>
19		\$19	\$190	<input type="checkbox"/>
20		\$20	\$210	<input type="checkbox"/>
21		\$21	\$231	<input type="checkbox"/>
22		\$22	\$253	<input type="checkbox"/>
23		\$23	\$276	<input type="checkbox"/>
24		\$24	\$300	<input type="checkbox"/>
25		\$25	\$325	<input type="checkbox"/>
26		\$26	\$351	<input type="checkbox"/>
27		\$27	\$378	<input type="checkbox"/>
28		\$28	\$406	<input type="checkbox"/>
29		\$29	\$435	<input type="checkbox"/>
30		\$30	\$465	<input type="checkbox"/>
31		\$31	\$496	<input type="checkbox"/>
32		\$32	\$528	<input type="checkbox"/>
33		\$33	\$561	<input type="checkbox"/>
34		\$34	\$595	<input type="checkbox"/>
35		\$35	\$630	<input type="checkbox"/>
36		\$36	\$666	<input type="checkbox"/>
37		\$37	\$703	<input type="checkbox"/>
38		\$38	\$741	<input type="checkbox"/>
39		\$39	\$780	<input type="checkbox"/>
40		\$40	\$820	<input type="checkbox"/>
41		\$41	\$861	<input type="checkbox"/>
42		\$42	\$903	<input type="checkbox"/>
43		\$43	\$946	<input type="checkbox"/>
44		\$44	\$990	<input type="checkbox"/>
45		\$45	\$1035	<input type="checkbox"/>
46		\$46	\$1081	<input type="checkbox"/>
47		\$47	\$1128	<input type="checkbox"/>
48		\$48	\$1176	<input type="checkbox"/>
49		\$49	\$1225	<input type="checkbox"/>
50		\$50	\$1275	<input type="checkbox"/>
51		\$51	\$1326	<input type="checkbox"/>
52		\$52	\$1378	<input type="checkbox"/>

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