



Savvy Shopper

After watching the *JA Economics for Success* Session 4 volunteer video, reflect on the lesson and review the concepts and vocabulary. Complete the following activity. You may also be assigned the math skills practice problem or choose to practice it on your own.

Think About It:

There are many ways to make payments; all of them have advantages and disadvantages.

- Why are there different forms of payment available to consumers and businesses?
- What form of payment do you use most often?
- What form of payment do your parents or other family members use?
- Think about some types of payment you are familiar with that were *not* included in this lesson.

Try It:

Create an ad for payment methods. Check off the boxes as you finish your work.

- Make a list of the different kinds of payments you learned about in this lesson and those that you know about not included in the lesson.
- Create an advertisement for each of the different payment methods, as if you were trying to persuade people to use each payment form.
- Include how the payment is used, the advantages of using that payment type, when it is best to use that type of payment, how the payment is processed, and whether or not the buyer will have to pay interest on that form of payment.
- Get creative! Use images, cartoons, thought bubbles, slogans, etc. You may use paper and art supplies or digital materials for your advertisements. Use what is available.
- Share your ads with a teacher, friends, or family members and ask what type of payment they would choose to use most often. Did they find your advertisements convincing?



Practice Your Math Skills:

Imagine buying \$500 worth of goods. Compare the cost of using a debit card to purchase the goods with the cost of using a credit card that has a 21.26 percent interest rate (the average credit card interest rate in 2019), using a minimum payment schedule. With adult permission, use an online credit card calculator, such as the Credit Card Minimum Payment Calculator at <https://www.bankrate.com/calculators/credit-cards/credit-card-minimum-payment.aspx>, to find out how much you will ultimately pay for your \$500 worth of goods if you make only the minimum payments.

- How much more than \$500 will you pay to use the credit card if you make only minimum payments?
- How long it will take you to pay off the debt?