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LESSON SIXTEEN

Online Shopping

TEACHERS

Introduction

With the click of a mouse, we can buy almost anything today. From food to clothing to cars to cameras, everything is available online. Online shopping can be a great way to compare products and prices before making a final decision about what to purchase. To get the best deal, however, we need to compare more than just price; we should also look at quality and the features we will actually use. Comparison shopping helps us find the best deal because we can look at different brands or models of a specific product to learn about variations in quality, size, and other features; and we can find out prices charged by different sellers. Taking the time to get good information before we buy can help us save money. But, surfing the Internet for information can be very tempting and encourage us to buy more than we need. Whether shopping online or at the local mall, making planned purchases that fit within our budget is the key to achieving our financial goals.

Purpose

This lesson is designed to help students understand comparison shopping and the need to research products before making a purchase. It incorporates the costs and benefits of online shopping verses purchasing items from local retailers.

Tool Kit

Newspaper ads and Internet pages of a specific good available for sale.

Definition of the Week

Comparison Shopping: Examining different brands or models of a product (to learn about variations in quality, size, etc.), or the prices charged by different sellers (to learn about possible cost-savings), before deciding what to buy.

Process

1. Have students think about their most recent purchase and why they chose that specific product. Ask if their choice was based on style, color, price, brand loyalty or some other feature. Discuss comparison shopping and see how many used it to make their purchase.
2. Put students in small groups and hand out copies of advertisements with price information from the newspaper and from the Internet for a specific item. Instruct students to make a chart of the different sellers and prices, and rank them from highest to lowest price. Ask students to calculate the difference between prices and convert the difference to percentages.
3. Ask students if they always make their final choice based only on price and discuss their answers. Have students evaluate the differences, if any, in the advertised products to determine which is the best deal. Answers may vary.
4. Discuss the costs and benefits of buying online versus buying from local merchants (jobs, potential lost revenue from sales taxes, transportation costs, shipping costs, security issues, etc.) Help students realize the best deal is not always the cheapest price or the most expensive product.
(Note: You may extend this lesson by having students develop a set of criteria before making their choices.)

PARENT OPTION

Involve children in making your next purchase. Encourage them to "research" the product by looking at newspaper articles and advertisements as well as online sources of information. Compare local and online prices, warranties, etc. Help them find reliable online sources. Check out the tips on online shopping from the American Bar Association at <http://www.safeshopping.org/home.shtml> and other consumer protection tips from the Federal Trade Commission at <http://www.ftc.gov/bcp/index.shtml>. Visit with your child about the importance of visiting sites that are safe and age appropriate, and monitor their online activities.

SHOPPING WEBSITE



With the help of a parent, teacher or other responsible adult, use the following questions to evaluate your favorite website. Remember, only make purchases that are planned and have parental permission!

1. Does the web address on the page that asks for your credit card information begin with "https:" instead of "http" ("https" indicates it is a secure site)?
Yes _____ No _____
2. Is there a picture of an unbroken key or closed lock? Either one indicates that the site is secure.
Yes _____ No _____
3. Does the website have a posted privacy policy? And, have you read it?
Yes _____ No _____
4. Does the website require you to use your Social Security number or your bank account number?
Yes _____ No _____
5. Are you familiar with the name and reputation of the company?
Yes _____ No _____
6. Are you going to this website because they sent you an email without your permission?
Yes _____ No _____
7. Is the company located in the United States?
Yes _____ No _____
8. Is the company an authorized seller of the product you want to buy?
Yes _____ No _____
9. Does the site have a "feedback" so you can read what other buyers have to say about this seller?
Did you read it?
Yes _____ No _____
10. Does the site explain the shipping and handling charges clearly?
Yes _____ No _____
11. Can you cancel or return the item without paying a fee?
Yes _____ No _____
12. Did you check other sites and comparison shop before selecting this one for your purchase?
Yes _____ No _____

If you answered yes to all questions except 4 and 6, then you have increased your chances of making a safe purchase online.

Coming next week: *Protecting Your Identity*

Newspapers for this educational program provided by: